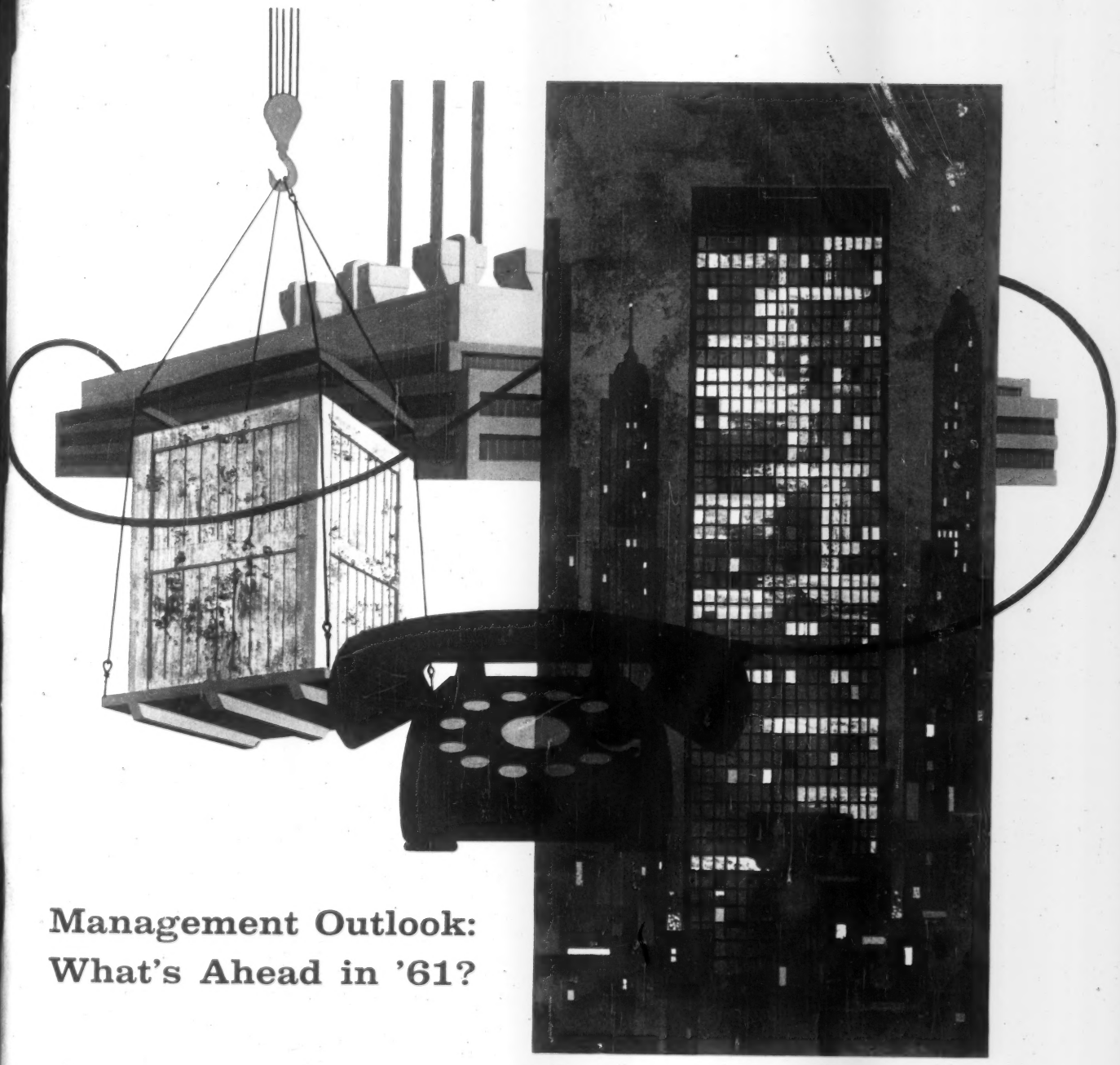
December 1960 75¢

DUN'S REVIEW
AND MODERN INDUSTRY

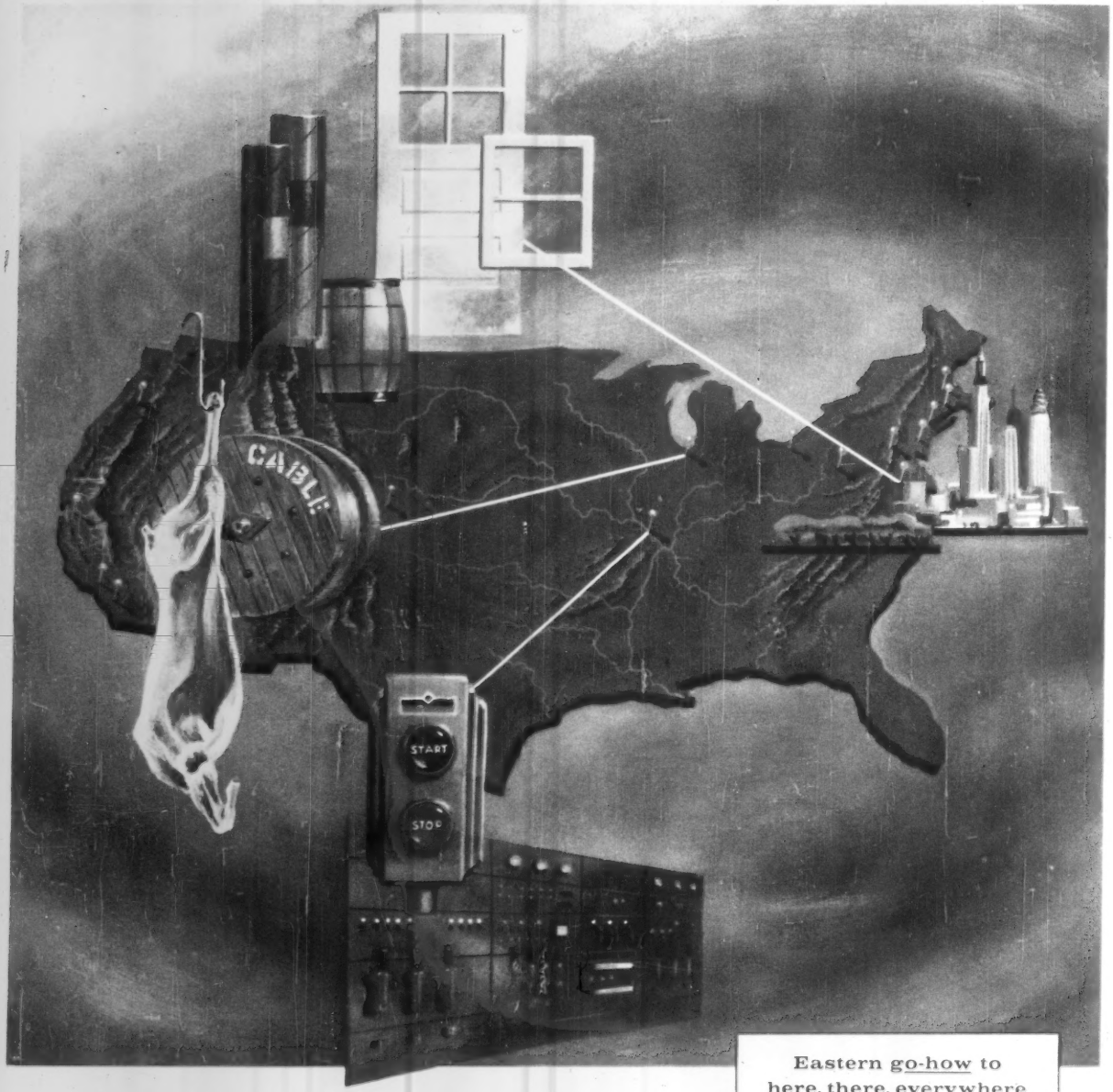
- The Myth of Retirement
- Every Employee a Salesman
- NCR's Foreign Success Story



Management Outlook: What's Ahead in '61?

A DUN & BRADSTREET PUBLICATION

CLOSING THE DISTANCE BETWEEN MATERIALS AND MARKET . . . THE MODERN MOTOR CARRIER: **ACCESSIBILITY**



If a road reaches it, so can you. Many a purposeful little town tucked away in a fold of ridge or desert is serviced by highway carrier *exclusively*. Wise firms, taking advantage of this service regularly, include these towns in today's total-marketing concept. For, the wide-ranging experience and routing flexibility of Eastern Express makes shipping (TL or LTL) to any point possible—and *profitable*.

Eastern go-how to here, there, everywhere

Excellent interline arrangements assure coverage as wide as industrial America.

Direct, thru-trailer service:
- No "break-bulk" enroute
- Safe, on-time deliveries
- Less handling
- Less transit time

Modern communications system, in-terminal and on the road—provides constant, positive control.

2200 *go-how* people are at your service to guide your shipping all the way.

Eastern EXPRESS, INC.
"The motor carrier with more *go-how*"

GENERAL OFFICES: 1450 WABASH AVENUE, TERRE HAUTE, INDIANA • Connecting the Eastern Seaboard with the Industrial Midwest
Akron • Baltimore • Bethlehem • Boston • Bridgeport • Chicago • Cincinnati • Cleveland • Columbus • Dayton • Evansville • Ft. Wayne
Harrisburg • Indianapolis • Metuchen • New York City • Philadelphia • Pittsburgh • Providence • St. Louis • Trenton • Zanesville

DUN'S REVIEW AND MODERN INDUSTRY

VOLUME 76 NUMBER 6

December 1960

5 *Letters to the Editor*
7 *The Trend of Business*
14 *Business Men's Expectations*
17 *Business Failures*
21 *Washington Business Front* JOSEPH R. SLEVIN
27 *Editorial: Trade, The Willing Servant*

28 *Management Outlook: What's Ahead in 1961?* THOMAS KENNY
32 *NCR's Foreign Success Story* A TOP MANAGEMENT INTERVIEW
34 *The Myth of Retirement* CLARENCE B. RANDALL
37 *Put Your Workers on the Sales Team* ROBERT NEWCOMB & MARG SAMMONS
41 *Why Britain Looks Good to U. S. Investors* CHARLES A. CERAMI
56 *14 Important Ratios in 36 Manufacturing Lines* ROY A. FOULKE

51 *Managing Your Manpower* LAWRENCE STESSIN
63 *Focus on Finance* GERALD M. LOEB
70 *International Markets* ALEXANDER O. STANLEY
77 *Inside Industry*
83 *Capital Views & Previews* PAUL WOOTON
87 *Ideas at Work*
91 *New Product Parade*
96 *The Reviewing Stand*

IF YOU OPERATE 1 OR MORE CARS WE'LL SLASH YOUR FLEET COSTS TO 7¢ PER MILE!

You supply the drivers — *We supply the rest*

LEASE NEW CHEVROLET CORVAIRS

Fully Equipped . . . Or Other Fine 1961 Cars at Comparable Low Rates!

ALL-EXPENSE RENTAL FEE INCLUDES:

ALL Repairs, ALL Gas and Oil
ALL Tags, Licenses, Inspections
ALL Insurance, ALL Maintenance
ALL Taxes on Fleet

YOUR CHOICE of FLEET PLANS

If our 7c All-expense Mileage Plan does not meet your requirements, try ROLLINS Maintenance Plan for 1961 Corvairs at **$78.50** PER MONTH.

1961 Chevrolets or many other fine cars at **$83.50** PER MONTH.

Any make or model of car or truck can be included in your plan. WE WILL PURCHASE AND LEASE BACK — your choice of plans.

RLC

ROLLINS LEASING CORPORATION

Eastern Main Office:
14TH & UNION STS., WILMINGTON 6, DELAWARE
Telephone: OLympia 6-5401 . . . TWX WL 287

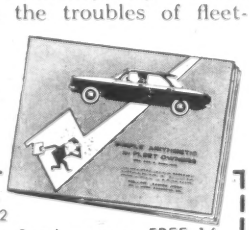
Western Main Office:
9535 WILSHIRE BLVD., BEVERLY HILLS, CALIF.
Telephone: CRestview 1-6219

Maybe you've been thinking that fleet leasing — and the big savings that come with it — are only for Companies operating large fleets of cars. Then hear this! If you operate *1 or more* company cars, you're in line for *all* the benefits giant corporations obtain through leasing. ROLLINS can slash your fleet operating costs to only 7c per mile!* That's *all-expense* rental for spanking new 1961 Chevrolet Corvairs! (Chevrolets and other fine cars at comparable rates). You get an average saving of over $500 per car! For the first time, you'll be able to budget your salesmen's transportation costs accurately on fixed figures. Your executives won't have to waste time on fleet supervision. You'll have no maintenance or depreciation worries. And the capital now frozen in your fleet will be released for profitable investment!

If you own your Company fleet, we'll purchase for cash — giving you immediate working capital. If your salesmen operate their own cars, we'll purchase-lease — and spare you mileage-account expense and worry. In short, we'll save you money as you never thought possible — and take over all the troubles of fleet-operation, too!

*Slightly Higher West

SAVE OVER $500 PER CAR PER YEAR!
If You Operate 1 Or More Cars Be Sure To Get Our FREE Cost-Comparison Booklet . .
"SIMPLE ARITHMETIC for FLEET OPERATORS"



ROLLINS LEASING CORP.
14th & Union Streets, Wilmington, Delaware DR-12

All right! Prove you can cut our fleet-operating costs. Send me your FREE 16-Page Booklet—"SIMPLE ARITHMETIC for FLEET OPERATORS." No obligation.

NAME _____ TITLE _____

COMPANY _____ PHONE NO. _____

ADDRESS _____

CITY _____ ZONE ____ STATE _____

DUN'S REVIEW
AND MODERN INDUSTRY

Publishing Director . . . . . ALEX J. DUGHI

Editor . . . . . A. M. SULLIVAN
Executive Editor . . . . . M. JOSEPH DOOHER
Managing Editor . . . . . ROLAND MANN
Senior Editors:
Marketing Editor . . . . . THOMAS KENNY
Industrial Editor . . . . . MELVIN MANDELL
Executive Methods Editor . . . JACK J. FRIEDMAN
Assistant Editor . . . . . PATRICIA H. DURSTON
Art Director . . . . . CLARENCE SWITZER
Production Manager . . . . EDWARD GERLACH

Contributing Editors
PAUL WOOTON
JOSEPH R. SLEVIN
LAWRENCE STESSIN
GERALD M. LOEB
PAUL A. KING
ALEXANDER O. STANLEY
ALFRED G. LARKE
ROBERT J. LANDRY
JOHN W. RIDAY
ROWENA WYANT

Business Manager . . . . VIOLA V. ANDERSON
Circulation Manager . . . . . ROY PAKANSKY

DUN'S REVIEW AND MODERN INDUSTRY, December 1960, Vol. 76, No. 6. Published monthly by Dun & Bradstreet Publications Corp., J. Wilson Newman, President. Publication Office: 300 West Adams St., Chicago, Ill. Second class postage paid at Chicago, Ill.

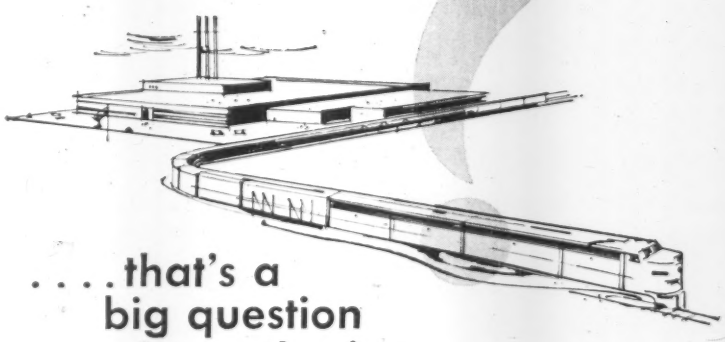
EXECUTIVE OFFICE
EDITORIAL OFFICE
SUBSCRIPTION OFFICE
ADVERTISING OFFICE
99 Church Street
New York 8, N.Y.

Subscription: $5 a year in USA and Possessions, and Canada. Elsewhere, $10. Single copy, 75 cents. Please state title and employing company when subscribing.

Copyright 1960 by Dun & Bradstreet Publications Corporation. Copyrighted under International Copyright Convention. All rights reserved under Pan American Copyright Convention. The title DUN'S REVIEW AND MODERN INDUSTRY is registered in the U.S. Patent Office. This magazine is indexed in the Business Periodicals Index, in the Public Affairs Information Service, and also by volumes in an index available upon request to the Editorial Office . . . Member ABC. Printed in USA.

CREDITS: *Cover*, Dean Ellis. *Page 29, second from top*, photo by Bachrach; *second from bottom*, photo by Miller of Washington; *page 30, second from top*, photo by Phillips Studio; *center*, photo by Bachrach; *second from bottom*, photo by Chase, Ltd.; *pages 32 and 33*, Prestige Photos; *pages 41 and 42*, photos courtesy of British Information Service; *page 83*, UPI photo.

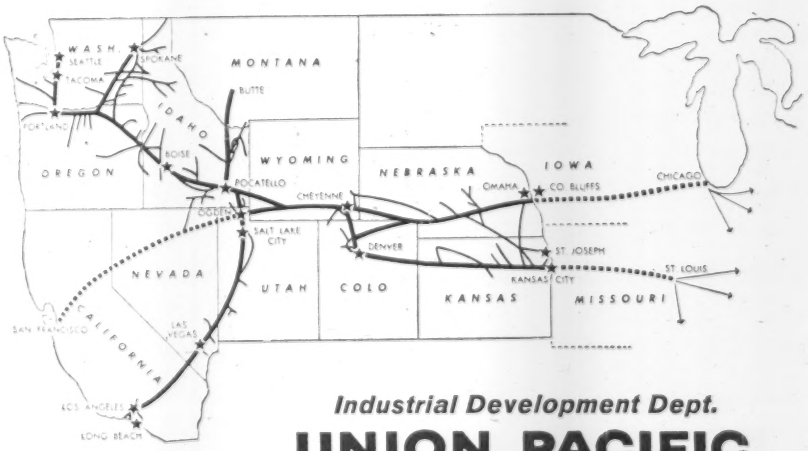
How about available TRANSPORTATION



. . . . that's a big question when selecting a plant site

And one big reason why so many nationally-known firms have selected a site in "U.P." territory is that they're assured of convenient and dependable freight and passenger service. No question about that.

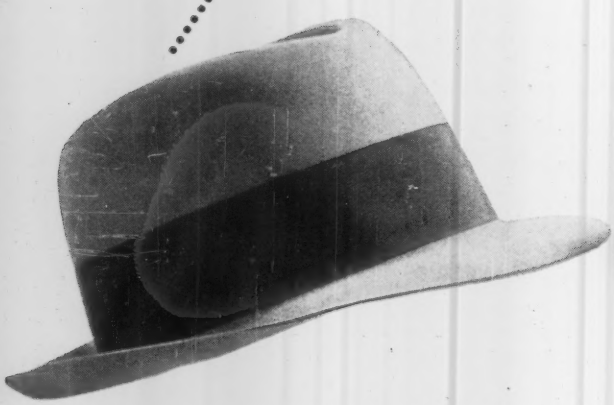
For confidential and helpful information about our fully developed plant sites and many other choice industrial locations in the eleven western states we serve, call on your nearest U.P. office or get in touch with us direct. We'll be pleased to serve you.

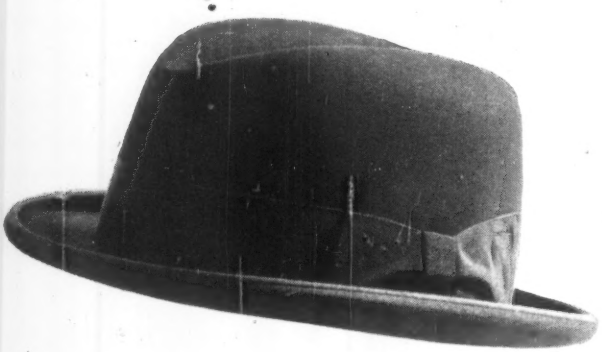


Industrial Development Dept.
UNION PACIFIC
Railroad
OMAHA 2, NEBRASKA

This new National Yellow Pages Service is the last link in our marketing chain...it'll sell our prospects right before they buy!

TELL ME MORE!





Ad Mgr.: Well, it's our one sure way of selling prospects at the point of decision — and moving them to *our* point of sale.

MKTG.DIR.: Use the Yellow Pages to *sell*?

Ad Mgr.: Right! New NYPS lets us tell people *why* to buy as well as *where*. We can now run the same kind of selling advertising in the Yellow Pages as we use in other media, and reinforce our selling message when people are ready to buy.

MKTG.DIR.: But what about our tricky marketing set-up?

Ad Mgr.: With NYPS, we can buy ads in any combination of over 4000 Yellow Pages directories across the country.

MKTG.DIR.: Do we *need* 4000 directories?

Ad Mgr.: Probably not. We buy only as many directories as we need to cover our market. There's no waste circulation.

MKTG.DIR.: Sounds good. Let's move on it.

Ad Mgr.: We are — the NYPS rep and the agency are working on a plan right now!

ONE CONTACT / ONE CONTRACT / ONE MONTHLY BILL

NEW NATIONAL YELLOW PAGES SERVICE

For details contact your NYPS representative through your Bell Telephone office.

Letters to the Editor

An Hour for Leadership

To the Editor: Thanks for sending me the advance copy of your excellent editorial ("An Hour for Leadership") in the November issue of DUN'S REVIEW. Surely the new President, whoever he may be, must take action along these lines.

The final paragraph, "Leadership means leading—not following the trail of a friend or adversary . . ." is the summing up of our critical responsibility in the challenging days that lie immediately ahead.

JOHN F. KENNEDY
United States Senate
Washington, D. C.

Our thanks to the next President for pausing to write in the midst of a busy campaign.—ED.

Variety Is the Spice . . .

To the Editor: We were tremendously pleased to read that our company is considered one of the best managed in the U. S. ("America's Best-Managed Companies," September). It is particularly interesting to see the different approaches taken by various members of the Presidents' Panel in making their selections. This is quite understandable, because good management comes not from one but from many things.

HOWARD MORGENS
President
The Procter & Gamble Company
Cincinnati, O.

Netherlands Industry

To the Editor: Both the interview with Walter Hallstein ("The Common Market Welcomes You") and "How One Company Cracked the Common Market" in the October issue make very good reading indeed.

Precisely because we value your effort to keep your readers informed of important developments, I regret having to give expression to a feeling of disappointment that in the box on page 50, no mention is made of the Netherlands Industrial Institute, 551 Fifth Avenue, New York 17, which is exclusively engaged in inducing American companies to set up industrial operations in The Netherlands. Any inquiry in this field directed to the Commercial Counselor in The Netherlands Embassy in Washington is, and always has been, automatically turned over to our Institute for further handling.

JOSEPH P. BOURDREZ
General Manager
Netherlands Industrial Institute
New York, N.Y.

For Deskside Reading

To the Editor: Clarence B. Randall's "Folklore of Management" series should be bound for constant future reference. The combination of clarity and erudition makes it a brilliant presentation.

RICHARD R. SEIBERLICH
Assistant Credit Manager
Weyerhaeuser Company
Camden, N.J.

No Shortage

To the Editor: While reading your most comprehensive "Office Productivity: New Paths to Profits" (September), I noticed that the thinking of many employers has radically changed in the past ten years, unquestionably because of technical progress, which necessitates not only more intense training of new employees but also the selection of employees who have the ability to progress in the company. No longer can any company consider a clerical job to be routine. There must be constant analysis of each activity, so that changes in responsibilities at various levels can be anticipated.

What surprised me was the fact that this is so generally recognized and accepted by so many companies, when this particular aspect is rarely covered. When so many are able to meet a given situation through the use of their imaginations, it would seem that the initiative so often described as being stifled is still available in rather generous quantities.

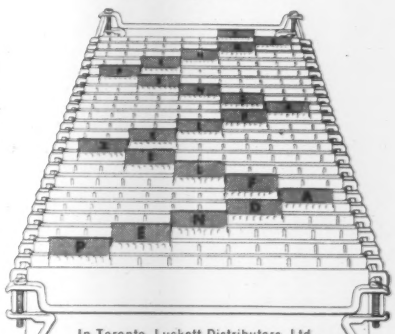
R. E. SCHRADER
Controller
Allied Van Lines
Broadview, Ill.

A file clerk's fancy always turns to thoughts of PENDAFLEX®!

And why not? Oxford Pendaflex hanging, sliding folders create a year 'round love affair in any office. The boss loves the accuracy of exclusive Pendaflex "Keyboard" selection. Office managers pledge eternal devotion to the timesaving efficiency of those fast-sliding folders. And, of course, file clerks are rapturous about the ease of Pendaflex fingertip control of *all* file drawers.

Courting greater efficiency for *your* office? See your franchised Pendaflex dealer or mail the coupon for full details plus free File Analysis and complete Oxford Catalog.

Oxford Filing Supply Co., Inc.
Garden City, New York



In Toronto, Luckett Distributors, Ltd.

Oxford
FIRST NAME IN FILING

OXFORD FILING SUPPLY CO., INC.
2-12 Clinton Road, Garden City, N. Y.

Please send free "File Analysis Sheet" and Big 60 Page Catalog of Filing Systems and Supplies.

NAME_____
FIRM_____
STREET_____
CITY_____ ZONE____ STATE_____

Motivating Minutes that Increase Employee Efficiency

The ancient Egyptians measured time with sundials to set the exact moments when music from lutes and horns heightened the attention of worshippers at temple rites.

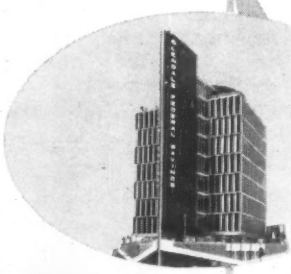
It's a far cry from Osiris' temples to the ten modern offices of Glendale Federal Savings and Loan Association in Glendale, California. Here Muzak's precision-timed, minute-by-minute work-motivation music has increased employee efficiency and added greatly to customer satisfaction.

"We are highly pleased with Muzak's results," said Mr. J. E. Hoeft, President of the $330,000,000 Association, sixth largest of its kind in America. "Our employees tell us that Muzak seems to make their work go faster and better by creating a happy atmosphere that helps to do away with tension and fatigue. Their increased efficiency has proved that they are right. Our customers say that Muzak helps make Glendale Federal a friendly, cheerful place to do business—and that's exactly what we've stressed since our doors first opened for business in 1934."

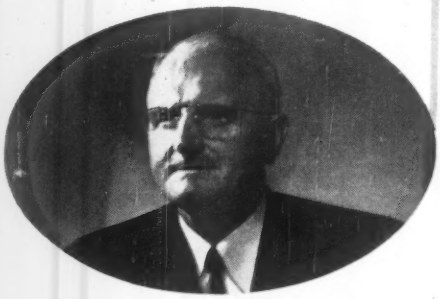
The special Muzak programming formula that produces such results is based on 25 years of intensive psychological and musical research. This formula is copyrighted. Only Muzak has it, and Muzak can produce scientifically measured results.

There are Muzak specialists in 225 localities in the U.S., and other places throughout the world, who survey, estimate, install and service Muzak equipment.

You will also be interested in the unique book, "Music and Muzak," which has detailed information on Muzak's work-motivating music as an investment in profits which should be working for you. Write Muzak Corporation, 229 Park Avenue South, New York 3, N.Y.



Muzak is considered an investment in Glendale Federal's new multimillion dollar headquarters, and in each of its nine modern branch offices.



President J. E. Hoeft says, "Muzak is one of our best investments. Muzak *motivates.*"

Muzak offsets office tension, helps work go faster and better.

Muzak®

an International Company in the Jack Wrather Organization

United States · Canada · Mexico · Brazil · Argentina
Peru · Great Britain · Belgium · The Philippines

Photo Credits—(Portrait) Karsh of Ottawa, (Building) Bank Bldg. & Equip. Corp. of America

The Trend of BUSINESS

OUTPUT: *No pickup likely before spring*
HOUSING: *Moderate gains in first quarter*
PROFITS: *Heading lower in first half*
FAILURES: *Upsurge in large liabilities*

THE early months of 1961 will bring a further decline in over-all business activity. There is little chance of a reversal before some time late in the second quarter. More inventory cutting, cautious consumer spending, and declines in new plant and equipment expenditures will mean moderate, but continuous, dips in industrial production until at least early spring.

That, at any rate, seems to be the best guess about the immediate economic future that is warranted by available data on the current performance of various sectors of the economy.

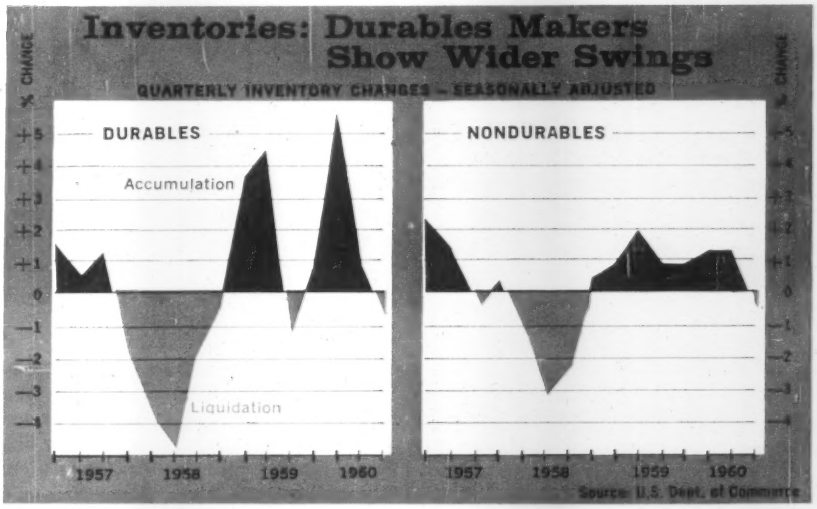
In March or April industrial output will hit a low point, about 10 per cent below the record of January 1960.

Output cuts in household durables, especially big-ticket appliances, will be a prime influence in the forthcoming reductions in over-all production. There will also be little pickup in auto or steel output, since stocks of new cars are still burdensome and most steel users will be reluctant to step up their orders to any appreciable extent.

Total production is likely to gain little support from output schedules in the textile, apparel, lumber, or coal industries.

During the next three months, auto output is unlikely to return to the high levels of early fall.

Although consumers' initial reaction to this fall's new models gratified auto makers, output schedules will be held at lower levels to keep stocks closer in line with sales. Unless dealers' sales are exceptionally high, only moderate production increases will occur thereafter, and output through the first half is likely to be 10 to 15 per cent below a year earlier. The decrease in the actual value of production will be even greater, because compacts are expected to account for about 35 per cent of industry production this year, compared with about 26 per cent in the 1960 model run.



THE LIQUIDATION *of manufacturers' inventories that began in the third quarter of this year will continue, most noticeably in durable goods.*

Not much recovery in steel is likely in the coming weeks.

Although new orders this fall disappointed steel producers and inventories held by some users are not heavy, no significant pick-up is likely to occur before February or March. Even then, steel output will probably not move appreciably higher at once, since many mills have built up stocks themselves to accommodate any rush of new orders. Moreover, the prospect of stable prices and the ready availability of most steel products will give users little incentive to step up new orders.

Other difficulties the steel industry will be facing early in 1961 are competition in substitute products and competition within the industry itself from both domestic and foreign sources.

Lagging orders from appliance producers will contribute to the slack in steel operations. Despite price concessions and new products, appliance sales have been disappointing and inventories are high. Until sales show marked gains, further cutbacks in the production of laundry equipment, television sets, and refrigerators are likely.

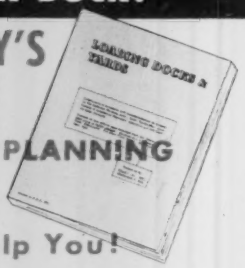
The recent sluggishness in freight car loadings will continue early in 1961, reflecting the lag in steel, coal and other heavy industries.

Manufacturers' new orders will probably hold steady in the next quarter.

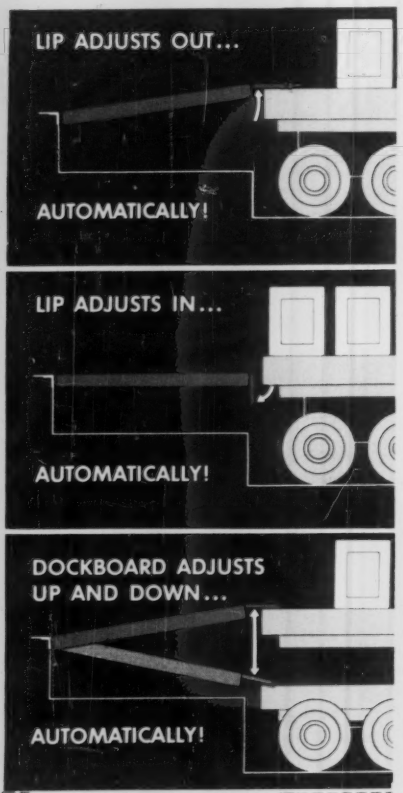
Propped by accelerated Government defense programs, manufacturers' new orders will probably remain

PLANNING A NEW TRUCK DOCK?

KELLEY'S FREE DOCK PLANNING KIT Can Help You!



Whether you're at the blueprint or "just thinking" stage, you need Kelley's brand new reference booklet on loading dock layout. It provides important data on driveway, aisle, canopy and door requirements, dock heights, current truck-trailer dimension restrictions, etc. Also, includes complete specs on industry's No. 1 Adjustable Dockboard—Kelley's ADJUST-A-LIP. Make yours a modern, efficient and safe dock operation. Act now! Mail coupon today!



FREE Get the FACTS! Send for details TODAY!

☐ FREE KIT — "How to Plan a Profitable Truck Dock Operation." Get Booklets on Dock Safety, Modernizing, Levelation Data, Dock Designs, etc.

☐ FREE SURVEY — No obligation.

Tear out and attach this coupon to your letterhead. Sign your name and mail to:

HI-LO Adjustable DOCKBOARDS

KELLEY COMPANY INC.
2131 W. MILL ROAD
MILWAUKEE 9, WISCONSIN

at current levels or even advance a bit, foreshadowing a rise in manufacturers' sales and a slackening in the pace of inventory liquidation some time early in the second quarter. Until that time manufacturers' new orders will moderately exceed sales, helping to build up order backlogs.

In contrast, orders for durable goods at wholesale will lag during the first quarter, but this will be offset by moderate gains in volume in such soft goods as food products, apparel, and linens. Over-all wholesale volume will have a slight edge over year-earlier levels.

Despite declines in many indicators, retail trade will remain close to year-earlier levels.

Discouraging business news and substantial unemployment may contribute to consumers' reluctance to spend more freely. The effects will be felt mostly in household durables, where appreciable year-to-year decreases in laundry equipment, refrigerators, and television sets will occur. Sales of linens, apparel and food products will post moderate increases, offsetting the declines in other lines and holding over-all retail volume close to year-earlier levels, when sales were exceptionally high. Total dollar sales will also reflect healthy sales of higher priced goods.

Along with the usual seasonal upsurge in soft goods, a moderate temporary pick-up in sales of durables may help Christmas sales hit a new record, about 2 per cent over 1959.

Consumers generally will try not to add to their installment debts. However, debt outstanding could be increased appreciably if auto sales show any marked upturn.

Wage and salary disbursements will drift gradually lower and soon be felt in over-all personal income.

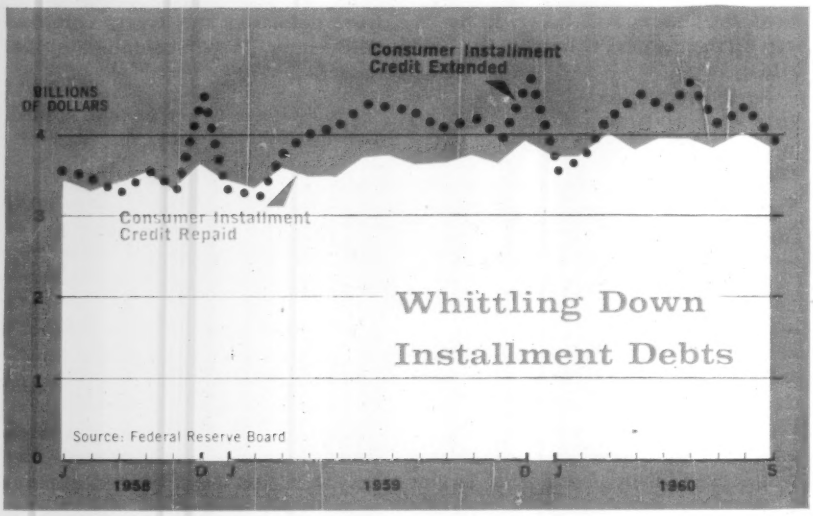
With many industries operating at reduced levels, wage levels will show little change, and factory employment will move downward. This will pull total personal income below recent record levels, offsetting any gains in payments of unemployment insurance and other types of income.

Unemployment will hover around 6 per cent of the labor force until about early spring, when industrial production begins to pick up. Employment is unlikely to return to recent record levels until that time.

In the months ahead, not much change is likely in the consumer price index.

Lower prices in appliances and food will probably offset increases on services and possibly apparel. Another stabilizing influence could be lower wholesale prices. Of course, Government deficit spending financed through commercial banks might start the economy off on a fresh inflationary climb.

The doubtful business picture has caused many business men to trim their outlays for new plant and equipment in 1961. Marked declines are likely at least through mid-year, es-



A RECORD *$42 billion in consumer installment credit outstanding is likely to be reduced in the coming months by lower extensions and higher repayments.*

Cut your record problems down to size...

Let a

Remington Rand

expert show you how... without obligation to you.

FIRST CLASS PERMIT NO. 22532 NEW YORK, N.Y.

BUSINESS REPLY MAIL

No Postage Stamp Necessary if Mailed in the United States

POSTAGE WILL BE PAID BY:

Photo Records Department
Remington Rand Systems
122 East 42nd Street
New York 17, N.Y.

Let a Remington Rand Microfilm expert show you how microfilm can help you with all kinds of record problems... storage, protection, copying... new systems of billing, checking, bookkeeping, sales procedures and many others. Send in this card today. No obligation on your part at all.

Photo Records Department
Remington Rand Systems
122 East 42nd Street
New York 17, N. Y.

I wish more information on Remington Rand Microfilm Equipment and its application to my business.

Name_____

Title_____

Company_____

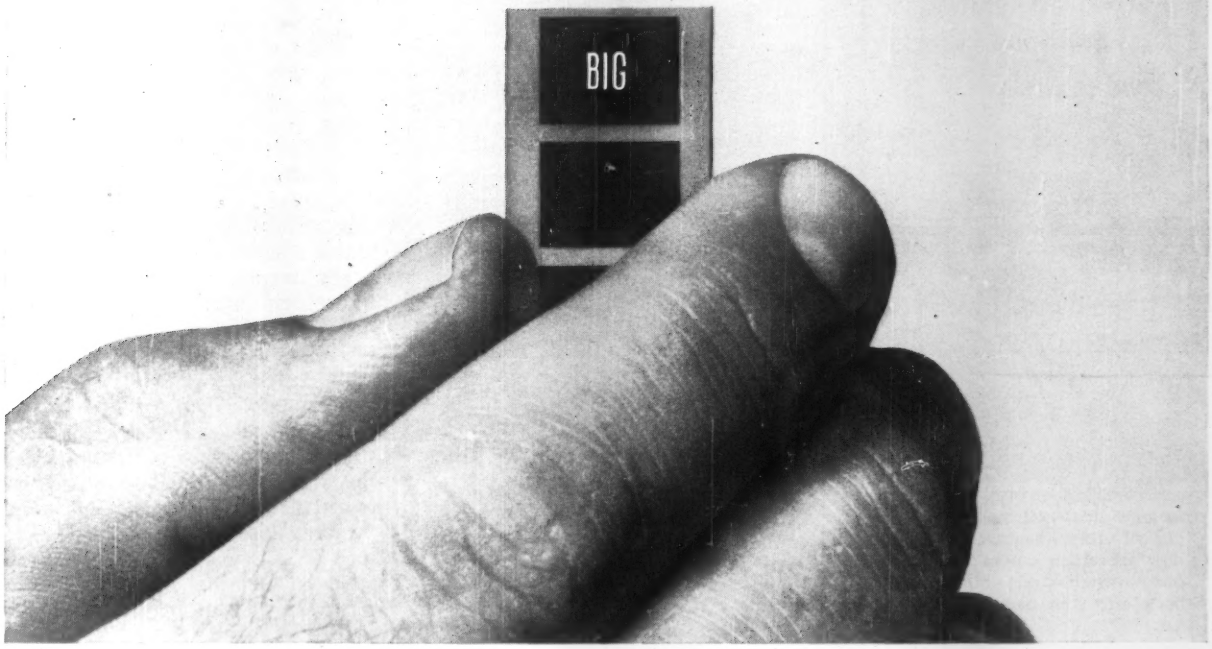
Address_____

City_____ Zone____ State_____

21-DR

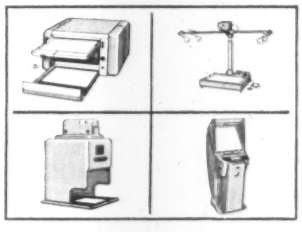
Business record problems too BIG to handle?

CUT THEM DOWN TO SIZE WITH REMINGTON RAND MICROFILM



Remington Rand Microfilm cameras and equipment give fast, efficient solution to record storage, protection and copying!

Prove to yourself how Remington Rand microfilming can solve space, storage and copying problems as well as help you devise new office techniques and systems. Even more important, Remington Rand microfilm experts are always available to you to *diagnose* record problems—help you train personnel in modern microfilm techniques.



Learn all the advantages of Remington Rand Cameras—the best of the portables and stationaries—and all the supplementary equipment and services that go with them . . . see what they can do for your particular business operation. Get all the information on the complete microfilm line—Remington Rand! Use attached card now. No obligation, of course.

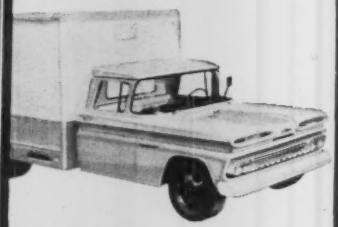
Remington Rand Systems DIVISION OF SPERRY RAND CORPORATION
122 East 42 Street, New York 17, N. Y.

smart truck users choose

NationaLease

the PREFERRED way to lease trucks

because it's national in experience and service – local in costs and controls



NationaLease supplies everything but the driver at flexible, local-level costs. On-the-spot management provides highest efficiency: full service, one-invoice truckleasing – the LEASE-FOR-PROFIT way.

NationaLease service doesn't add to your cost . . . it saves. Saves the capital and management time you now spend on trucks so you can put yourself—and your money—back into your own business.

Lease for Profit

Lease a new Chevrolet, or other fine truck, operate it as your own with no investment, no up-keep.

For facts about full-service, "Lease-for-Profit" truckleasing – and the name of your local NationaLease firm, write

NationaLease NATIONAL TRUCK LEASING SYSTEM

Serving Principal Cities of the United States, Canada, and Puerto Rico

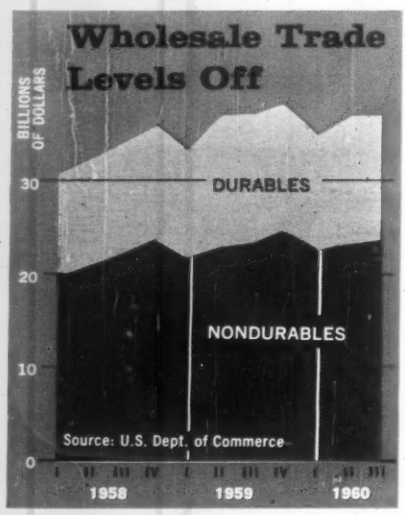
23 E. JACKSON BLVD., SUITE: D-12 CHICAGO 4, ILL.

pecially in spending by railroads and manufacturers of most types of durable goods. In contrast, outlays by utilities, producers of farm equipment, and the communications industry will hold relatively steady.

One sign of an early downturn in plant and equipment spending has been the lag in new orders for machine tools, especially from domestic buyers, and the high level of cancellations in this industry. More monthly decreases are probable in the months immediately ahead, but an upturn here will precede any rise in plant and equipment outlays.

More declines are ahead for corporate profits.

Narrowing profit margins may be another factor behind the sag in business investment in plant and equipment. Reports for 1960 as a whole will show a moderate dip from 1959, and the next two quarters will bring further decreases. Here again, the most noticeable drops—accountable to sluggish sales and high operating costs—will occur among railroads and manufacturers of durable goods.



LAGGING *durables will hold over-all wholesale trade close to year-ago levels.*

Industrial construction will feel the effects of the lag in plant and equipment spending. The building of factories will decline at least through the first half, but a rise in contract awards for future construction will pick up before that.

These declines will be partially offset by fairly steady levels in the building of commercial structures, and higher public outlays for highways, schools and hospitals.

Over-all construction totals are unlikely to get much of a boost from residential construction. Somewhat easier mortgage money may prompt a rise in new housing starts within the next few months, but any increase will be moderate. Housing has pretty much caught up with demand in many areas and many prospective builders will be discouraged by relatively high building costs.

Government officials have begun to seek ways to stem the steady outflow of gold from the United States that has resulted in recent months from heavy defense spending and private investment by U.S. business abroad. A possible countermeasure may be reduced defense spending in West Germany and the return of the families of U.S. military personnel stationed overseas. Also, business men will be urged more strongly to step up their foreign sales abroad in an effort to boost exports still further over imports and help reduce the deficit in the balance of payments.

Many major exporters, bankers, and Government officials expect United States exports next year to climb to a new record, with a gain of about 8 per cent over the expected 1960 total. This is based on increasing new orders and inquiries from abroad. In addition, only a slight rise in imports is anticipated.

Despite moves by the Government to stem the outflow of gold, prices on the New York Stock Exchange declined late in November following a post-election upsurge. Some business men and economists attributed the stock market dip to climbing unemployment and lagging activity in steel and other industries.

The Government recently announced that a record crop output for 1960 is assured, especially since corn harvesting had already passed the prior record set in 1959.

These late season gains for corn, sorghum, rice, peanuts, tobacco, and dry beans and the sharp gains in the wheat crop will offset modest reductions in cotton, soybeans, and sugar output. END

This report was prepared in the Business Economics Department, DUN & BRADSTREET, INC., by John W. Riday.

Secretarial school graduate —stuffing envelopes!

Naturally, she doesn't like it. No good secretary, with all her acquired skills, likes such a dull, monotonous, repetitive task as folding and stuffing papers. And her regular work piles up on her desk until the mailing is finished.

It doesn't make sense to use high-priced people for a job that a machine can do better. There is such a machine —the Model 3300-FH, Folding and Inserting Machine, which works faster than a flock of girls, requires little space, *costs little*, can be used by anyone. And soon pays for itself in even a small office!

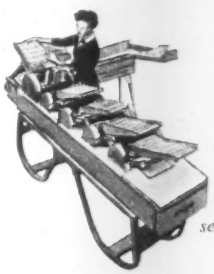
The 3300-FH is an uncomplicated combination folder and inserter. It can be set by you without a mechanic or tools. And it will fold and stuff into envelopes 500 letter-size sheets in eight minutes! It handles invoices, statements, leaflets, bulletins, stapled sheets – even your daily outgoing mail. Automatic feed and delivery saves time and effort. The inserter unit can be used by itself, or attached to any PB folding machine. The folder can also be used alone.

Get the 3300-FH to save time and money, to prevent disruption of office routine, to permit faster and better scheduled mailings. And boost secretaries' morale!

Call any PB office for details. Or send coupon for free illustrated booklet and case histories.

FREE: *Handy desk or wall chart of postal rates, with parcel post map and zone finder.*

This small, compact, low-cost combined folder and inserter makes mailings easy and fast, can be used by anyone.



Model 3100 has six optional stations, inserts up to six enclosures at speeds as high as 6,000 an hour. Can be used with a PB postage meter to stamp and seal stuffed envelopes.

Pitney-Bowes
FOLDERS & INSERTERS

Made by the originator of the postage meter . . . 139 offices in the U. S. and Canada, with nationwide service coast to coast.

PITNEY-BOWES, INC.
1570 Crosby St., Stamford, Conn.

Send free ☐ illustrated booklet and "case studies" on PB Folding and Inserting Machines; ☐ Postal Rate Chart.

Name _____

Address _____

First Quarter Outlook: Appraisals Are Mixed

AS far as the upcoming first quarter of the new year is concerned, business men's usual optimism is less pronounced than it was a year ago this time. Among more than 1,480 executives interviewed in late October, only 49 per cent expected sales to be higher than in the comparable quarter of 1960. In contrast, 65 per cent had taken an optimistic sales position at this time in 1959.

Compared with their position in 1958, however—at a similar point about four months after a business downturn had begun—business executives now are more optimistic. Then, only 40 per cent expected an increase in sales in the following quarter, 9 percentage points below the present level.

The accompanying table and chart show the results of the latest quarterly survey conducted among 1,480 executives in manufacturing, wholesaling and retailing.

Although there is now even less optimism about profits and new orders than there is about sales, the business men here are not so pessimistic as they were in the 1958 poll. Compared with 1958, the proportion now foreseeing higher profits is up 7 percentage points; for new orders, 6 points.

It is interesting to note that while manufacturers of durable goods are now appreciably more optimistic about new order prospects than are makers of non-durables, in early 1958 the reverse was true. In addition, fewer manufacturers of durables are now actually pessimistic than in 1958. Now only 9 per cent anticipate declines in new orders, as compared to 28 per cent in 1958.

Although a solid majority of all the respondents now expect their inventory levels at the end of the next quarter to be unchanged from a year earlier, those looking ahead to increases somewhat outnumber those expecting decreases. In 1958 the "downs" outnumbered the "ups."

Although business men's sales expectations for the next quarter are brighter than they were in 1958, more of them now expect to hold their price lines at year-earlier levels. Eighty per cent of all those interviewed now plan no price changes—a rise of 8 percentage points from the 1958 poll.

Despite the current decline in sales optimism from a year ago, only 5 per cent of the executives expect a cutback in their workforces, as against 3 per cent last year. Back in 1958, 11 per cent were contemplating layoffs.

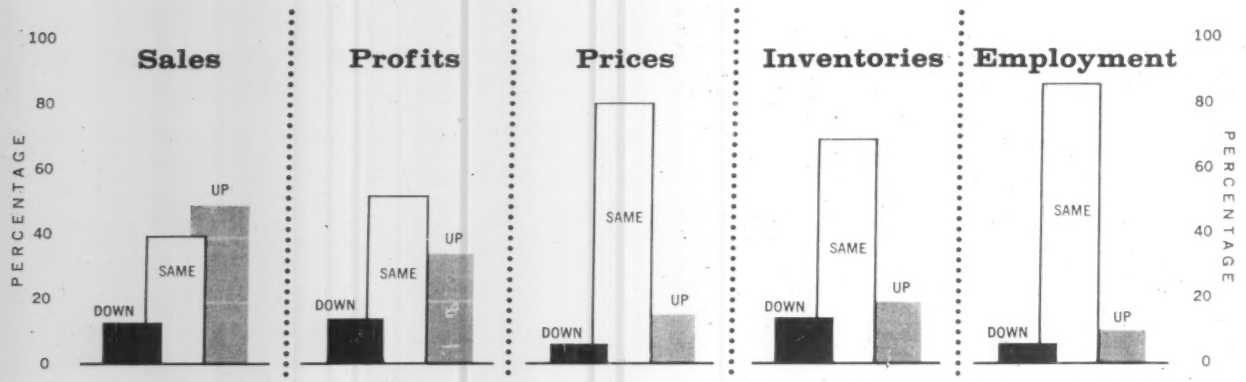
—JOHN W. RIDAY
Business Economics Department

It should be remembered that this survey is not a forecast, but an indication of the views held late in October by a representative group of business men.

First-Quarter Outlook

COMPARED WITH YEAR-EARLIER OPINIONS

Per cent in 1960				Per cent in 1961		
Up	Same	Down		Up	Same	Down
			ALL CONCERNS			
65	30	5	Sales	49	39	12
51	44	5	Profits	35	51	14
29	69	2	Prices	15	80	5
28	63	9	Inventories	19	67	14
16	81	3	Employment	10	85	5
			MANUFACTURERS			
69	26	5	Sales	51	38	11
56	39	5	Profits	39	48	13
27	71	2	Prices	15	82	3
30	61	9	Inventories	21	65	14
22	75	3	Employment	12	82	6
58	38	4	New Orders	42	50	8
			WHOLESALERS			
61	34	5	Sales	48	39	13
45	48	7	Profits	32	54	14
32	66	2	Prices	17	76	7
27	64	9	Inventories	16	68	16
10	87	3	Employment	7	88	5
			RETAILERS			
62	34	4	Sales	47	37	16
46	49	5	Profits	31	55	14
27	71	2	Prices	14	82	4
24	69	7	Inventories	15	71	14
10	87	3	Employment	7	90	3



FOR MAXIMUM PROFITS · · · · · ▸ through money to expand volume ▸ money to buy out other interests ▸ money to finance seasonal peaks ▸ money for advantageous purchasing ▸ money for new plant and equipment ▸ freedom from credit losses and exposures . . . very profit-minded manufacturers rely on William Iselin & Co., Inc., 357 Park Avenue South, New York 10, N. Y. . . . Murray Hill 9-2000

SEND FOR OUR BROCHURE: "MORE MONEY FOR BUSINESS"

information about

St. Louis

for industrial site seekers

"Meet me in St. Louis" could well be the theme song of industries seeking lucrative new hunting grounds. The core-of-America location of this vital metropolis, and its easy access to materials and markets, make it one of the rich industrial areas in the nation. St. Louis, located on the Mississippi River 20 miles below its confluence with the Missouri, is near abundant coal, iron ore, oil, limestone and other basic raw materials. Hub of the inland waterways system and having exceptional ground transportation facilities, St. Louis is an interchange point for traffic from all parts of the nation.

The Rock Island has many choice industrial sites in the St. Louis Metropolitan Area. If the following information on this area interests you, get in touch with us for more specific details. We'll work with you in strictest confidence.

LABOR: Skilled labor force of 862,200; increase in employment of 3.3% in ten years.

POWER: Nine generating stations with a capability of 2,600,000 KW; 500,000 MCF peak day capacity of natural gas; refining capacity of 300,000 bbl of oil per day.

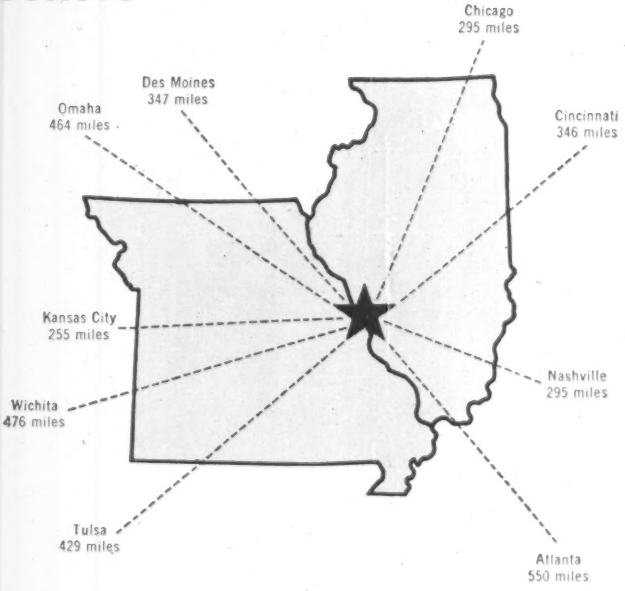
TRANSPORTATION: The Rock Island and 17 other trunk line railroads; 300 common carrier truck lines; 200 local transfer companies; 7 air lines; 18 intercity bus lines; 12 local bus lines.

HOUSING: 72,677 housing starts in eight years (1951-1958); new houses available from $11,000; new apartments available from $75.00 per month; 6 urban renewal programs under development in the City of St. Louis at an estimated cost of over $420 million.

THE COMMUNITY: 92 high schools with a total enrollment of 400,000; 68 city parks and community centers in the City of St. Louis; 2 universities; 3 university branches; 10 colleges; 3 junior colleges; 65 hospitals with 20,000 beds; annual welfare budget for the City of St. Louis is $22 million.

COMMERCIAL SERVICES: 18,677 retail outlets; 3,554 wholesalers; 3,146 manufacturers; 55 building contractors are members of the Associated General Contractors of St. Louis.

CLIMATE: Average mean temperature 56.7°; average monthly rainfall 3.24".



The man who knows St. Louis industrial sites like the back of his hand is Charles H. Mennell, Assistant General Freight and Passenger Agent. Mr. Mennell and his staff are typical of Rock Island specialized personnel who, during the past three years, have helped locate over a billion dollars of private industry along Rock Island tracks. He can help you find just the spot you need. For full details write, wire, or phone Charles H. Mennell, 519-524 International Building, St. Louis 1, or Industrial Department 160, Rock Island Lines, Chicago 5.

Rock Island

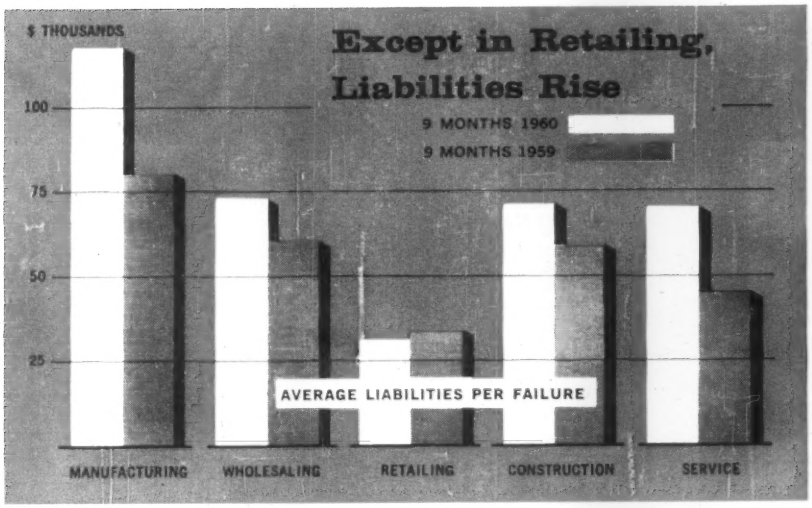
ROCK ISLAND LINES

The railroad of planned progress ... geared to the nation's future

Business Failures

Mortalities mount in October

Construction casualties lead the climb



BUSINESS failures took a 6 per cent upturn in October, following the usual trend for fall but at an accelerated pace. At 1,344, casualties reached the highest level since April and ran almost one-fifth above the comparable month last year.

Although more concerns succumbed than in any other October since 1933, their failure rate measured against the total operating business population remained below the prewar level. Failures were occurring this October at a rate of 63 per 10,000 enterprises listed in the DUN & BRADSTREET *Reference Book*. This rate was considerably more severe than the 51 per 10,000 a year ago, but moderately lower than the prewar toll of 73 per 10,000 in October 1939.

Liabilities continued at a high volume, edging up to $81.5 million. The year-to-year climb remained sharpest among casualties of large size. Failing businesses with liabilities in excess of $100,000 numbered 152, as against 81 in October last year.

In all types of operation, tolls increased moderately from September. Manufacturing casualties turned up noticeably in food and nonferrous metals industries; wholesaling, in food, furniture, electrical goods, and building materials. In retail trade, failures in house furnishings and appliances rebounded from their September decline, and the toll in the automotive group continued up to a new high. But marked declines ap-

continued on page 18

THE FAILURE RECORD

	Oct. 1960	Sept. 1960	Oct. 1959	% Chg †
DUN'S FAILURE INDEX*				
Unadjusted	60.1	56.7	48.0	+25
Adjusted, seasonally	63.3	65.2	50.5	+25
NUMBER OF FAILURES	1344	1269	1125	+19
NUMBER BY SIZE OF DEBT				
Under $5,000	135	122	144	− 6
$5,000—$25,000	618	553	552	+12
$25,000—$100,000	439	443	348	+26
Over $100,000	152	151	81	+88
NUMBER BY INDUSTRY GROUPS				
Manufacturing	229	218	221	+ 4
Wholesale trade	139	116	106	+31
Retail trade	613	604	532	+15
Construction	231	218	164	+41
Commercial service	132	113	102	+29
LIABILITIES (*in thousands*)				
CURRENT	$81,508	$80,604	$50,376	+62
TOTAL	82,258	82,124	51,336	+60

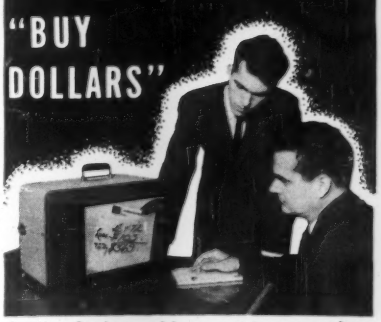
*Apparent annual failures per 10,000 enterprises listed in the DUN & BRADSTREET *Reference Book*.

†Per cent change, October 1960 from October 1959.

In this record, a "failure" occurs when a concern is involved in a court proceeding or in a voluntary action likely to end in a loss to creditors. "Current liabilities" here include obligations held by banks, officers, affiliated and supply companies, or the governments; they do not include long-term publicly held obligations.

PRE-SHOW your TV COMMERCIALS ON BUYERS' DESKS with TV-Type screen Moviematics

It's the easy way to get the most "BUY DOLLARS"



In the Spring a big-name toy manufacturer reserved pre-Christmas network time. Complete sets of the TV commercials, produced early in the year on 16mm continuous film, were loaded into TSI repeater projectors.

Out across the country went the salesmen to make daylight showings on toy buyer desks. Back they came bringing orders that appreciated upwards to 50% . . . **They sold the buyers what they wanted to buy: INVENTORY THAT HAD THE ASSURANCE OF CONSUMER DEMAND.**

Moviematics carry your 16mm sound film **inside,** in a repeater magazine. No reel arms —no threading, no room darkening. Just open the TV-Type screen—plug in—and switch on.

IMPORTANT: Should your film-usage be temporary, YOU CAN LEASE TSI PROJECTORS BY THE MONTH. Your men can pick up and return them at the TSI dealer's, in the principal cities.

Interested? . . . Then write or phone

tsi TECHNICAL SERVICE, INC.
Farmington, Mich.
KEnwood 3-8800 (Detroit)

Largest Manufacturers of 16mm and 8mm Repeater Projectors.

60-6

EFFICIENCY

that's what you want

in active record handling —

EFFICIENCY for smooth work flow . . . EFFICIENCY for more output per dollar invested . . . EFFICIENCY for faster service . . .

and with **ROL·DEX** *you get* EFFICIENCY!

because:

- records *ROLL* to the seated clerk
- all records are immediately accessible
- better control; easier supervision
- random reference is no problem
- time is saved—no waiting for hidden, motor driven trays to come into place
- fewer personnel can handle large volumes of records

find out about all the other advantages of Rol-Dex equipment. It's built to fit your system, your form size, your volume, your space, your expansion plans.

Rol-Dex Division

ROL·DEX

pat. and pats. pending

WATSON MANUFACTURING COMPANY, Inc.
Jamestown, New York

WATSON MANUFACTURING COMPANY, INC.
Rol-Dex Division, Dept. R-2, Jamestown, New York

☐ Please send literature.

☐ Have consultant call me for appointment ..... (phone)

Name ..... Title .....

Firm .....

Street .....

City ..... State .....

continued from page 17

peared in two retail lines—general merchandise and apparel stores.

Construction failures climbed most steeply—41 per cent—from their 1959 levels. Both general builders and subcontractors reported heavier mortality. The over-all retail rise was milder—15 per cent—yet tolls consistently ran above last year in all trades except general merchandise. The least change from a year ago occurred in manufacturing, where heavier casualties in machinery and chemicals were offset by declines in many industries, notably apparel, lumber, and furniture.

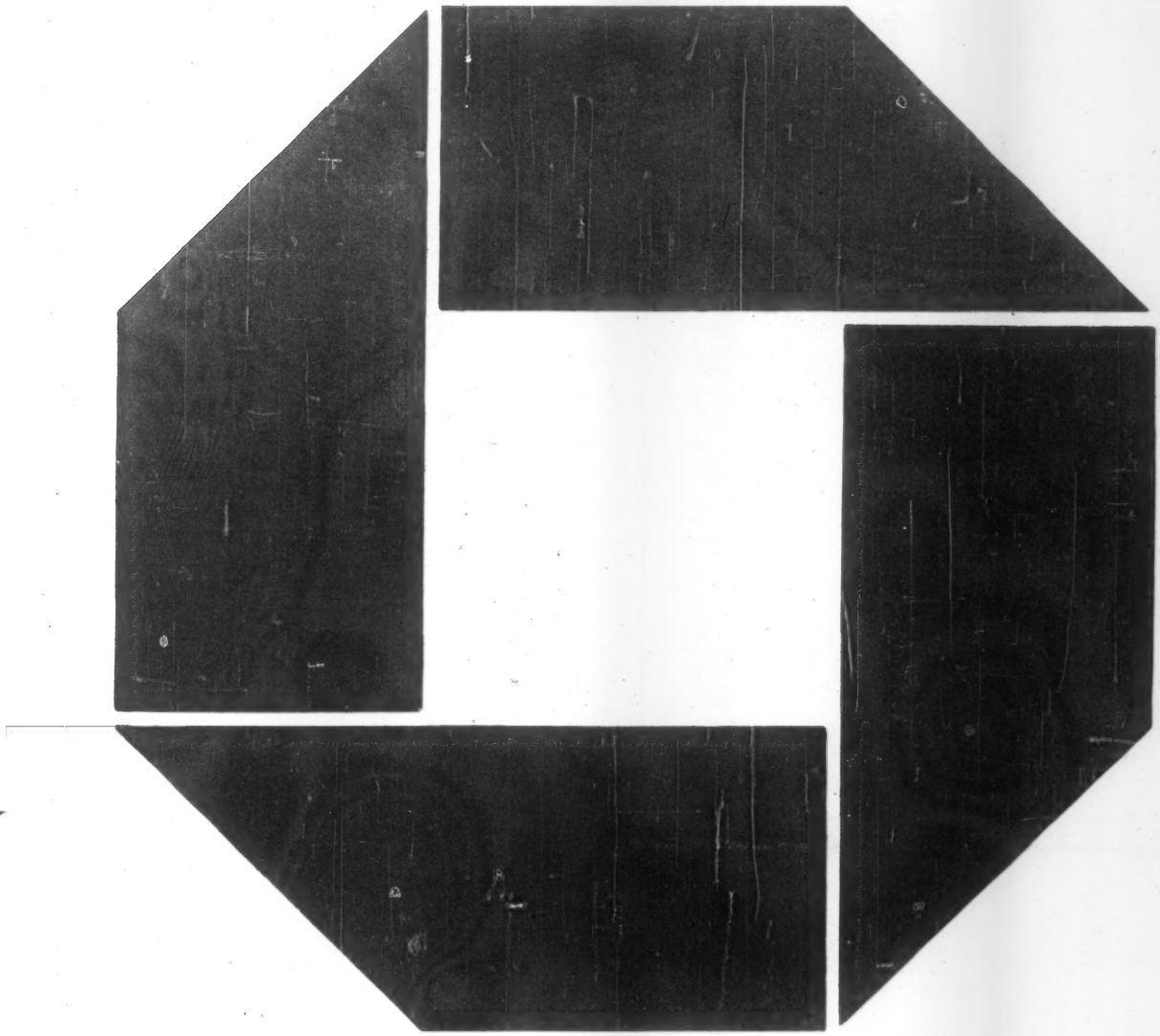
Geographically, tolls ranged above the previous month in six of nine major regions. They exceeded 1959 levels in all areas except the Middle Atlantic states. In contrast, failures in the South Atlantic region reached a new postwar record, with increases concentrated in Florida, Maryland, and the District of Columbia.

FAILURES BY DIVISION OF INDUSTRY

	Cumulative total (Ten Months)		Liabilities in million $	
	1960	1959	1960	1959
MINING, MANUFACTURING	2150	2039	241.9	166.6
Mining—coal, oil, misc.	75	71	15.9	7.0
Food and kindred products	143	157	27.1	13.0
Textile products, apparel	338	329	28.4	18.3
Lumber, lumber products	439	418	31.7	21.4
Paper, printing, publishing	163	139	10.2	8.0
Chemicals, allied products	56	51	5.3	3.8
Leather, leather products	73	63	11.5	6.4
Stone, clay, glass products	35	45	3.7	4.1
Iron, steel, products	137	119	20.6	11.6
Machinery	234	201	39.5	33.0
Transportation equipment	103	85	13.3	7.2
Miscellaneous	354	361	34.6	32.7
WHOLESALE TRADE	1219	1144	84.9	67.9
Food and farm products	270	235	25.4	20.0
Apparel	38	35	3.3	1.5
Drygoods	27	31	1.0	1.1
Lumber,bldg.mats.,hdwre.	150	124	12.2	8.3
Chemicals and drugs	37	54	1.4	1.6
Motor vehicles, equipment	96	59	6.0	2.8
Miscellaneous	601	606	40.7	32.6
RETAIL TRADE	6832	5875	198.4	198.1
Food and liquor	881	959	23.0	26.3
General merchandise	212	253	11.7	15.3
Apparel and accessories	820	871	21.1	35.0
Furniture, furnishings	813	712	32.9	31.1
Lumber,bldg.mats.,hdwre.	404	381	16.1	12.9
Automotive group	1085	839	40.7	20.8
Eating, drinking places	1170	1135	34.0	31.2
Drug stores	131	93	3.3	2.5
Miscellaneous	616	632	15.6	23.0
CONSTRUCTION	2134	1715	156.6	99.3
General bldg. contractors	825	606	89.3	55.7
Building subcontractors	1180	976	56.5	34.5
Other contractors	129	133	10.8	9.1
COMMERCIAL SERVICE	1146	1070	88.5	48.1
TOTAL UNITED STATES	12781	11843	775.2	580.0

Liabilities are rounded to the nearest million; they do not necessarily add up to totals.

This report was prepared in the Business Economics Department by Rowena Wyant.



THE CHASE MANHATTAN BANK PRESENTS A NEW SYMBOL OF GREATER USEFULNESS

Essentially our new symbol is a single unit made up of separate and distinct parts.

This strong, vigorous symbol, with its four sections bordering a square center, is indicative of our Bank's character and diversity.

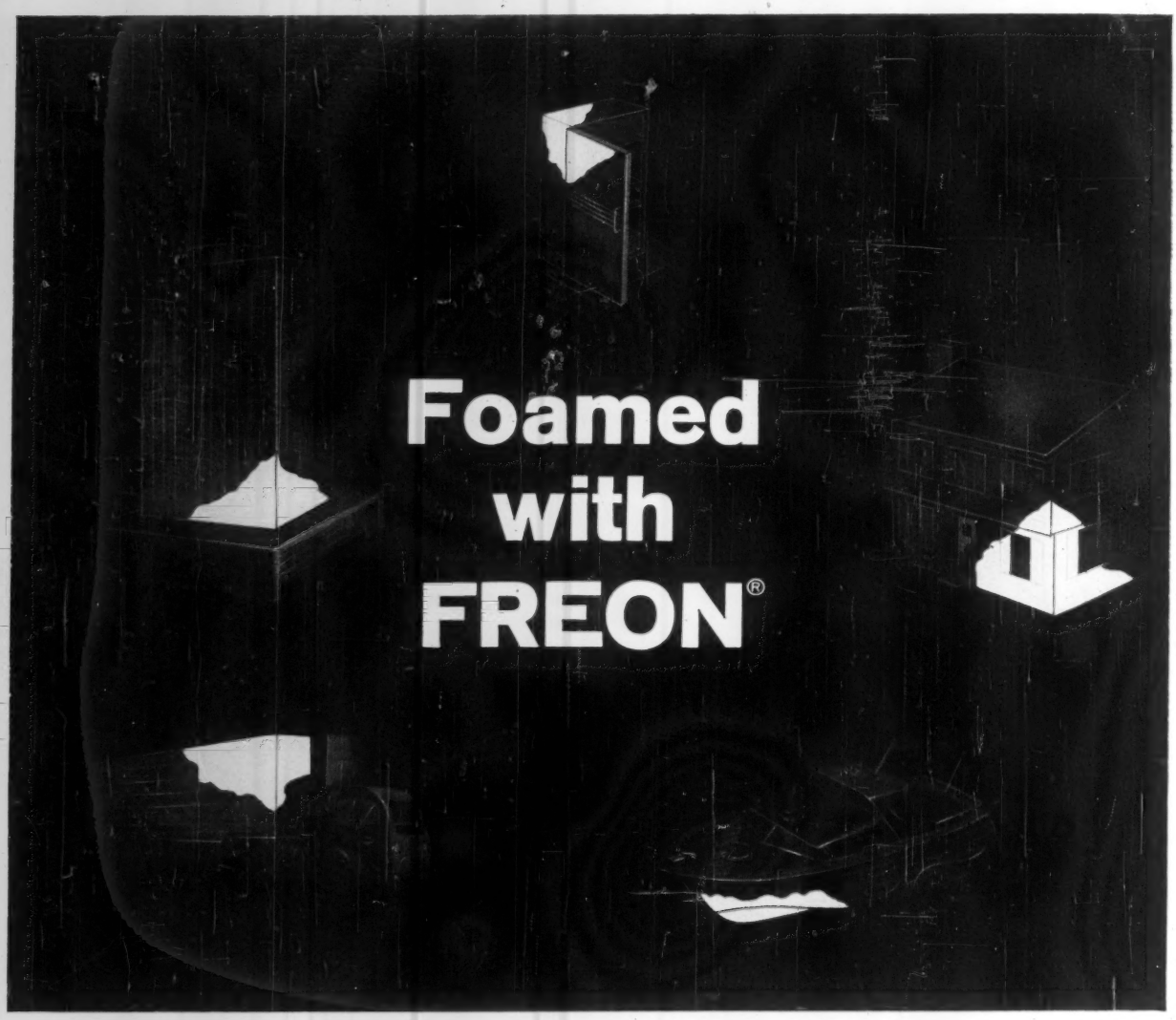
We are many people and many departments, all working toward a single purpose—greater usefulness to business, industry and individuals.

In commercial or personal banking, trust or international services, we have experienced personnel and specialized departments to serve our friends at home or abroad.

By our new and distinctive symbol we at Chase Manhattan hope to be recognized and identified as time goes on. But we are well aware that only by our *works* will we be *known*.

THE CHASE MANHATTAN BANK

CHARTERED IN 1799
Head Office: New York 15, N. Y.
Member Federal Deposit Insurance Corporation



New, rigid urethane foams are filling a void in many industries

New answers to problems of insulation, structural design and costs are being provided daily by the versatile qualities of improved urethane foams—especially foams blown with Du Pont "Freon" blowing agents.

Twice the insulation possible with conventional materials of the same thickness is now obtainable from urethane foams blown with "Freon". And for the same degree of insulation, you need but half the thickness.

Surprising strength makes improved urethane foams an excellent, lightweight structural material. Adhesive tenacity bolsters this strength even more, permits use of foam for bonding purposes.

Lowered costs result from the ability of "Freon" blowing agents to produce more foam from the same base materials. The foams themselves often require just half the volume to equal other materials in performance. And you can get the installation versatility and convenience of foaming in place.

Other features—exceptional buoyancy and water resistance for marine use, freedom from rot, controllable density, vibration dampening, resistance to aging and chemical action.

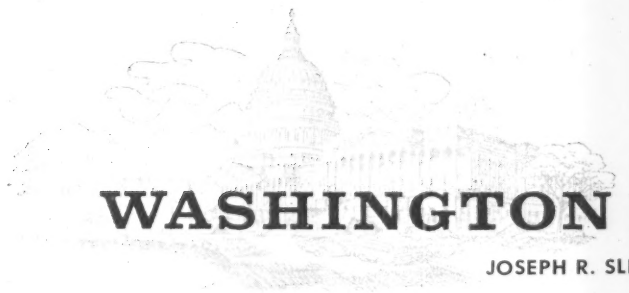
Technical assistance is available from Du Pont to help you test the physical capabilities of your foams blown with "Freon", and to help you produce foams to meet your specific needs.

For more information, write: E. I. du Pont de Nemours & Co. (Inc.), "Freon" Products Div., N-2420, Wilmington 98, Delaware

FREON®
BLOWING AGENTS

DU PONT
REG. U.S. PAT. OFF.

Better Things for Better Living . . . *through Chemistry*



WASHINGTON Business Front

JOSEPH R. SLEVIN

☆ *Waiting for the next Treasury secretary: a fine set of new tools for managing the public debt.*

☆ *They're the legacy of the Anderson-Baird team, which also leaves behind some unfinished business.*

WASHINGTON, D.C. — The Kennedy administration will make changes in the way that the Government finances the debt, but it will have to go some to match the record of the men who are doing the job now. One of the original promises of the Eisenhower Administration was that it would bring effective management to the Federal Government, and public debt operations are one place where it has made good with a vengeance.

Most of what has been accomplished has been achieved during the past few years, and the credit for the Administration's performance goes to Secretary of the Treasury Robert B. Anderson and Under Secretary for Monetary Affairs Julian B. Baird. The Anderson-Baird team gave the Treasury a more efficient, better-organized, and more flexible debt management system. They didn't solve all the problems, but they cut them down to size. And the tools that they tested and tempered are on hand and ready to be used again during the years ahead.

One big blunder

Not everything they did was right, of course. They made some small mistakes, and one grave error that has left their record deeply scarred. The Anderson-Baird team helped bring on the worst debacle in the history of United States public finance—the crash of the United States Government securities market in June, 1958. It happened for a number of reasons, but one of the chief causes was a Treasury sale of an excessively large amount of 2½ per cent bonds. Many of the bonds were bought by speculators on paper-thin margins. The market broke immediately after the bonds were issued, and the frantic attempts of the speculators to save their skins gave a runaway push to the collapse that followed the market break.

Thousands of plungers and investors suffered heavy losses. It was more than a year before the critically important Government securities market recovered from the blow.

But the 1958 fiasco has had a bright side, for the Treasury has adopted new safeguards that it hopes will prevent another speculative raid.

The key feature of the new program is a decision to abandon the Treasury's traditional refunding method whenever the Secretary thinks there is danger of a speculative raid. The plungers obtained the outsize quantities of 2½ per cent bonds in 1958 by buying up securities that were due to mature in mid-June. They knew that the Treasury would offer new obligations in place of the maturing securities. They knew, too, that the holder of each maturing security would have a preemptive right to obtain a new Government obligation in its place.

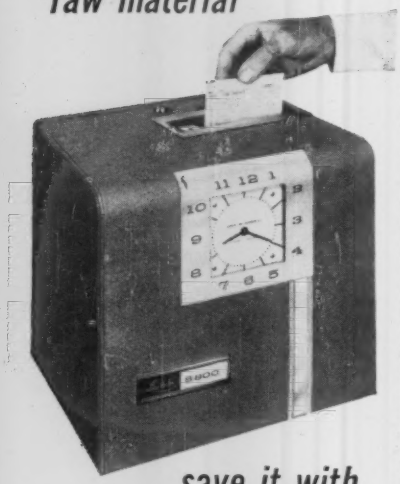
But the Anderson-Baird team has changed all that. It has served notice on investors that they will no longer have a preemptive right to exchange a maturing security for a new issue unless the Treasury explicitly grants the right at the time of the refunding. This means that the Treasury is prepared to protect itself against speculators by paying off maturing securities in cash and by selling the necessary replacement issues for cash, too. By employing a number of regulatory devices, the Treasury can bar the plungers from obtaining unduly large amounts of new bonds when it sells for cash. It can require a big down-payment with each subscription, for example, and it can allot generous amounts of bonds to permanent investors, such as pension funds, and smaller amounts to individuals. When all else fails, it can reject any suspicious subscription out of hand.

Measures have also been taken to curb speculation in outstanding issues. Banks that belong to the Federal Reserve System, national banks, and non-affiliated state banks are being told that they must obtain margin of at least five per cent from customers who buy Government bonds on credit. Government bond speculators have to purchase tremendous quantities to make a profit, for price changes are relatively small. The Anderson-Baird team thinks a 5 per cent down-payment will be adequate, since a buyer of $1 million of bonds, for example, now will have to put up $50,000 cash.

Many of the Anderson-Baird innovations have made for more orderly management of the debt and have softened the impact of Government financing on the money market. The Anderson-Baird team has been placing the Government's big refunding maturities on four quarterly dates—February, May, August, and Novem-

time

your most valuable raw material



save it with the fully automatic...

Lathem 8800

time recorder

On the job in your organization, the Lathem 8800 Time Recorder can minimize the tardiness that can cost you hundreds of dollars annually . . . eliminate disputes since every man is his own timekeeper . . . and provide accurate records.

Accurately, time is registered the instant the time card is inserted . . . in two colors and correctly positioned, with IN and OUT separated in two columns. Impossible to overprint. Yet this completely automatic 8800 Time Recorder is priced within the range of typewriters.
Send today for full details.

LATHEM

LATHEM TIME RECORDER CO.
98 Third Street, N.W., Atlanta, Ga.
GENTLEMEN:
Without obligation, please send me full information, including prices, about the completely automatic 8800 Time Recorder.

NAME_____
COMPANY_____
STREET_____
CITY_____ ZONE___ STATE____

ber—instead of scattering the maturities through the calendar. One of the most disturbing debt operations in the past was the regular refinancing of one-year debt. The Anderson-Baird team has reduced the size of this problem by inaugurating a new series of one-year bill auctions. The Treasury takes tenders for the bills in January, April, July, and October. The market likes the plan, for an auction doesn't dislocate its normal activities the way a cash sale or a refunding does.

The Treasury offered only two kinds of bills when the Anderson-Baird team first went to work. It offered regular three-month bills each week and sold tax anticipation bills that corporations bought for use in paying income and profits taxes. But the Anderson-Baird team added the one-year bill cycle and weekly issue of six-month bills. The six-month bills don't upset the market, and they fill an important investment requirement of corporations that want to put their funds in something longer than the traditional three-month bills.

Shading the yields

Mr. Anderson and Mr. Baird have overhauled the Treasury's method of pricing securities and have adopted a system that allows them to set yields finely attuned to the market pattern. Time was when the return on a new issue of Government obligations was blocked off in segments of one-eighth of 1 per cent. The Anderson-Baird team broke new ground by issuing securities at prices above par, which reduces the yield below the coupon rate, and at prices below par, which increases the yield above the formal interest rate.

But the most important of the Anderson-Baird innovations was the one that they saved for last. It's called "advance refunding," and it proved a smashing success when they brought it into play in September. Holders of almost $4 billion of bonds that were scheduled to come due over the next seven to nine years exchanged their securities for new Government bonds that will mature in 1980, 1990, and 1998.

The average maturity of the Government debt had been growing steadily shorter and the amount of debt coming due in the relatively near future had been growing ever larger. It proved impossible to sell a substantial quantity of new bonds for cash without depressing the long-term market, and they couldn't be sold when outstanding securities came due, because many of the original long-term investors had sold out by then to holders who were interested only in short-term maturities.

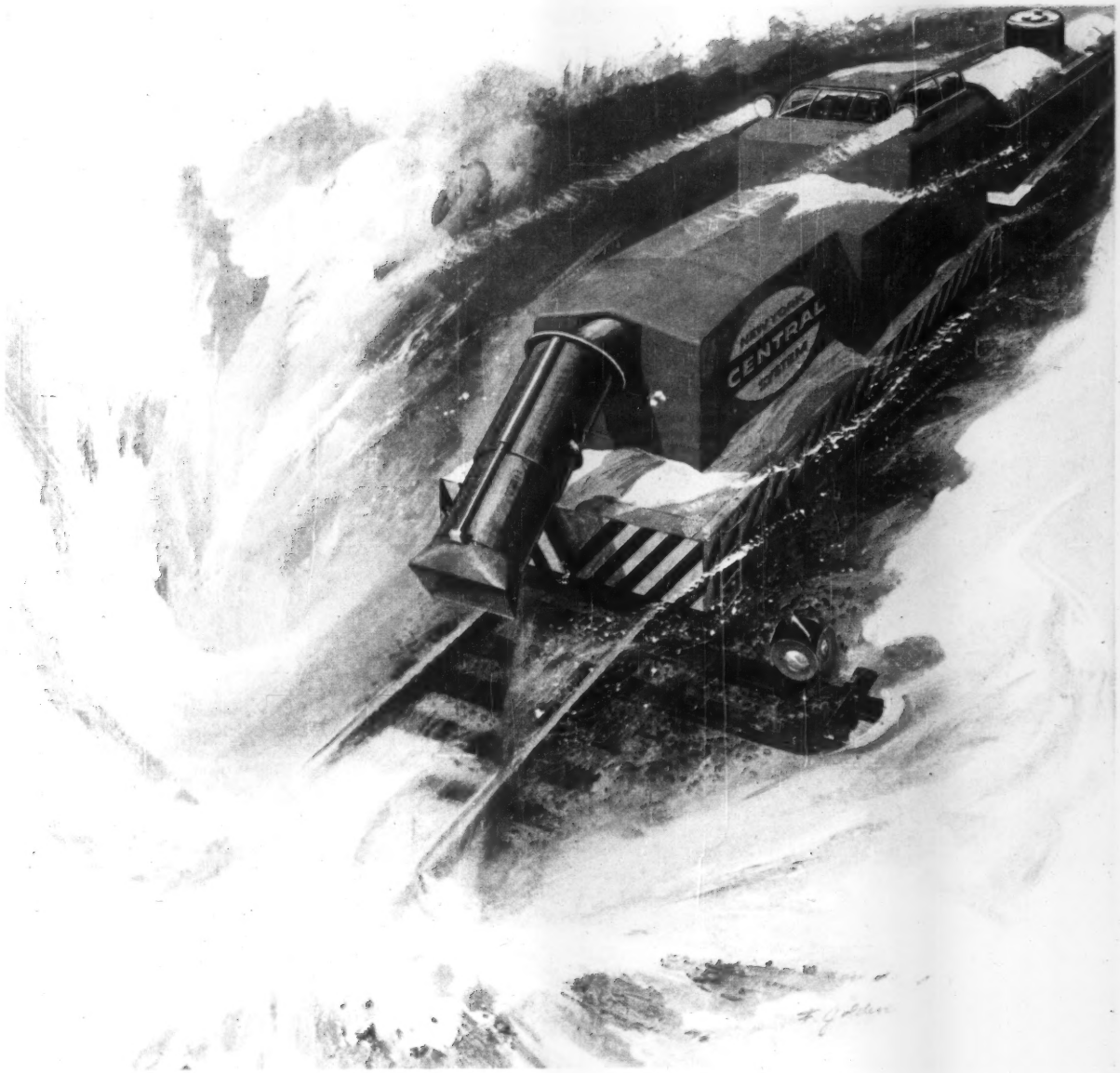
The result was that the Treasury was unable to hold its own. Year after year, the volume of relatively short-term securities increased. The debt structure progressively became more and more unbalanced as the outstanding securities approached maturity—and as the Treasury failed to replace them by selling fresh quantities of long-term bonds. The Government had $97.5 billion of securities maturing in more than five years in 1946, but by the end of fiscal 1960, the total had plummeted to $40.5 billion. Simultaneously, the supply of securities coming due in one-to-five years had soared from $24.5 billion to a staggering $73 billion while the volume maturing in less than one year had jumped from $60.5 billion to $70.5 billion.

The Treasury had sold only $9.2 billion of long-term bonds maturing in more than fifteen years during the decade and a half before the September advance refunding. But it placed the $4 billion of advance refunding bonds without disturbing the market. The offering did not stiffen long-term interest rates nor interfere with subsequent offerings of corporate and municipal issues. The judgment of bond market professionals is that the Treasury successfully sold $4 billion of long-term bonds through the advance refunding technique with less impact than a conventional $500 million cash offering would have produced.

Unfinished business

The marketable public debt remains unbalanced, for too much still is concentrated in short-term securities. But Mr. Anderson and Mr. Baird have demonstrated that the problem can be solved. The next step will be to relieve the pressure in the under-five-year sector of the market by carrying out a "junior league" advance refunding that will encourage holders of relatively short-term maturities to exchange their obligations for immediate securities coming due in five to ten years. Market conditions may not permit the Anderson-Baird team to carry through the "junior league" operation, but it's a job that the Kennedy administration ought to tackle promptly.

END



The New York Central spits in winter's eye!

To a railroad, winter had always meant drifted snow, frozen switches and delayed trains. Then Central's imaginative research staff attacked Old Man Winter with a new weapon, the Snow Blower!

A surplus jet engine from a B-36 hitched on to a caboose becomes a controlled hurricane swirling through icebound switchyards. In its wake, lights change from red to green, and that shipment to Boston you were worried about is on its way.

The Snow Blower is one of a host of ideas springing from Central's Technical Research Center. In this lab you'll find Central men utilizing nuclear energy, electronics, all the newest techniques, plus down-to-earth common sense to develop faster, more efficient freight transportation.

Most important, Central's research has one major objective . . . to provide our customers with faster schedules, consistent on-time performance, and continually better service.

NEW YORK CENTRAL SYSTEM

ROAD TO THE FUTURE

'61 CHEVY *You've never had a choice like*

★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

REAR-ENGINE CORVAIR 95's

High capacity, light-handed maneuverability, in a totally new kind of truck!

There isn't another truck in the land like this one. The driver's up front, the engine's in the rear and all the rest is load space—enough to hold up to 1,900 pounds on a light handling 95-inch wheelbase! You haul more and you do it for less with a fuel-saving air-cooled rear engine that never needs water or antifreeze or radiator repairs. Check out a Corvair 95 (pickup or panel) at your dealer's for cab comfort and load accessibility. Feel the stability of its 4-wheel independent suspension. You'll wonder why they didn't think of this one a long time ago.

RAMPSIDE—makes loading or unloading a cinch!

★ ★

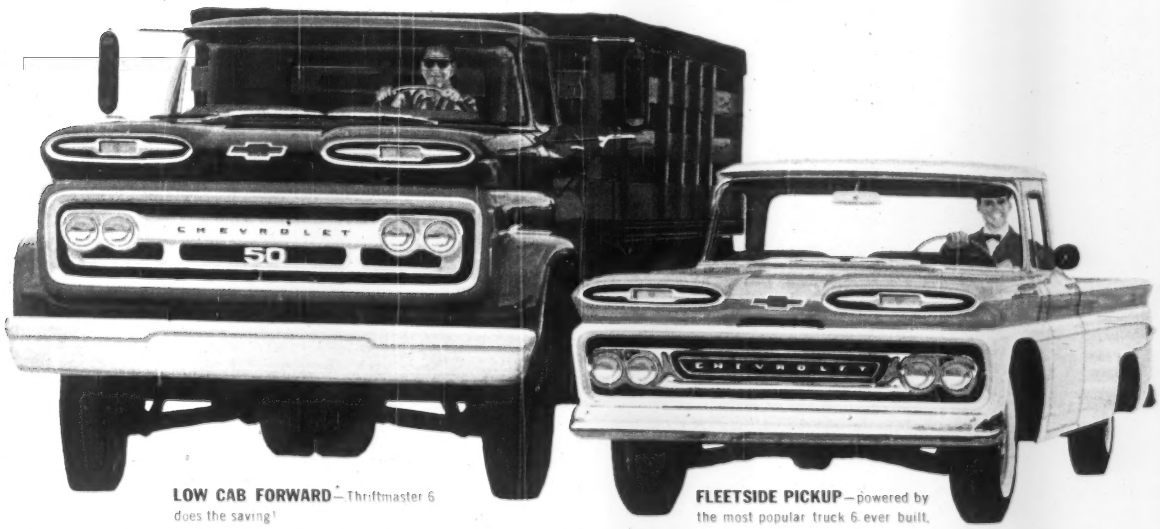
CORVAN—side doors open wide, only 14" from the ground

this because there have never been trucks like these–

TORSION-SPRING CHEVROLETS

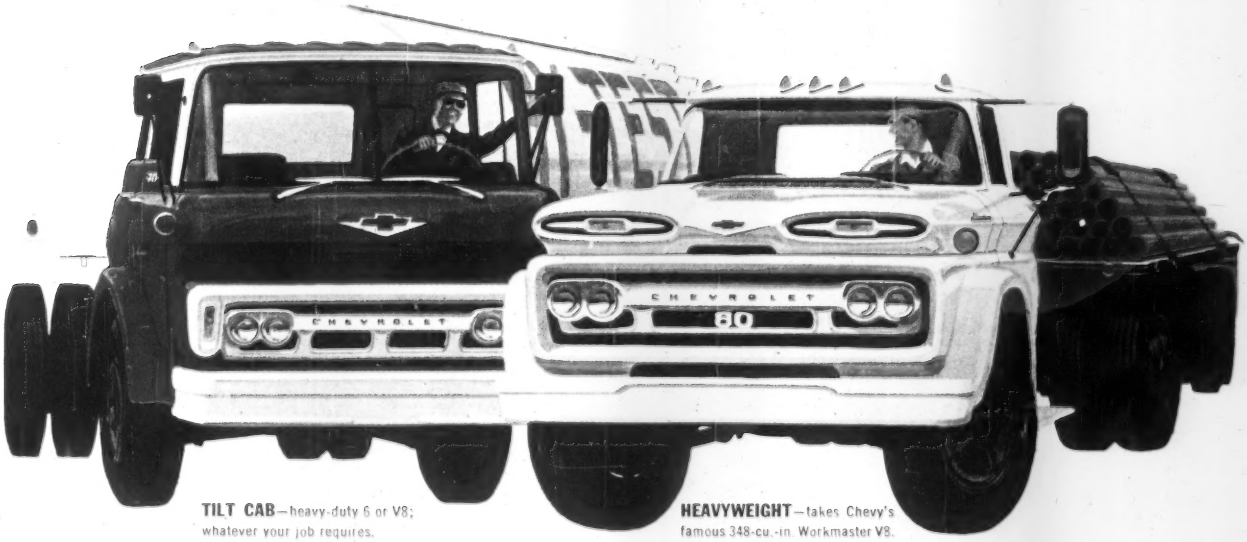
They cruise over roads that make front-axle trucks creep!

Take the wheel of a torsion-spring Chevy and you'll never be satisfied with an I-beam front-axle truck again. Not just because Chevrolet's ride is smoother and more comfortable. But because you come to realize the truck itself is taking less of a beating, the tires less abuse, and of course the load is better protected. You also see you can maintain faster safe speeds over rough roads to get more done in a day. And that goes for any size Chevy you need. Just try one. . . . Chevrolet Division of General Motors, Detroit 2, Michigan.



LOW CAB FORWARD—Thriftmaster 6 does the saving!

FLEETSIDE PICKUP—powered by the most popular truck 6 ever built.



TILT CAB—heavy-duty 6 or V8; whatever your job requires.

HEAVYWEIGHT—takes Chevy's famous 348-cu.-in. Workmaster V8.

THE ACROPOLIS OF ANCIENT ATHENS, GREECE—A FITTING SYMBOL FOR RARE OLD CHARTER IN ITS GRECIAN DECANTER.

Give the present enriched by the past—a full fifth of rare seven-year-old Kentucky Straight Bourbon in the classically beautiful Grecian Decanter. Festively pre-wrapped (all at no extra cost) in royal red, ermine white and glittering gold—Old Charter greets the season grandly!

OLD CHARTER

KENTUCKY'S FINEST BOURBON

The Bourbon that didn't watch the clock for Seven long years!

KENTUCKY STRAIGHT BOURBON WHISKEY—86 PROOF—7 YEARS OLD—OLD CHARTER DIST. CO., LOUISVILLE, KY.

THE BOURBON INSTITUTE
FOUNDER-MEMBER

DUN'S REVIEW
AND MODERN INDUSTRY
December 1960

EDITORIAL

Trade: The Willing Servant

MAN in his hour of greatest achievement is also in his day of greatest anxiety. In this, our generation, he has broken through many barriers in the natural order. His feats have dwarfed the wonders of Merlin, Aladdin, Captain Nemo, and Jonah.

He has mastered many enigmas in nature. He outflies the condor, outdives the whale, outspeeds sound, and requires new concepts of measurement in time and space as he tangles up the tape rules of the infinitesimal and the Gargantuan. He has poked holes in the sky, sifted stardust, hit the moon, and touched sea bottom at its greatest depth.

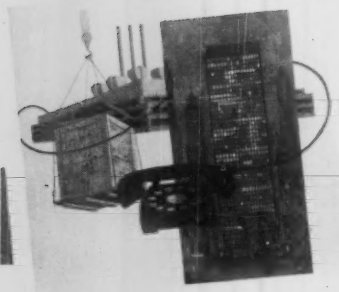
What is there left for him to conquer? Just one thing, and one alone: himself. He is still confused about his identity, and there is considerable doubt and debate about his ultimate destiny; but tomorrow approaches and he has to do something about it. He is faced with a paradox: If he can't get along with his neighbor, he can't get along without him, either. There can be no dispute about the reality of the world around him or his need for survival as a member of a society where personal freedom and enterprise must make some concessions for the common good of neighbors and nations.

Is man his brother's keeper? We have the depressing symbol of Cain and Abel, the hopeful symbol of Joseph and his brothers, the inspiring symbol of Damon and Pythias. In his social intercourse, man has exchanged cultural assets, political ideas, ethical and religious impulses, as well as goods and services. His ability to trade, with values exchanged in barter or in money as a common denominator, has indicated that his first instinct is toward give and take as a means of fair exchange.

Trade as a social instrument for better understanding has been tested for centuries against the natural difficulties of language, custom, and distance, and the synthetic barriers of tariffs, embargos, piracy, and other deterrents. As domestic trade feels the effects of regulation in our complex national economy, and international commerce is encouraged or restricted for political and diplomatic reasons, the social influence of the creation, processing, and exchange of goods takes on increased significance.

Any handicap to the free flow of goods and services weakens one of the most valuable and desirable supports to the peace of nations. The exchange of material benefits sets the pace for the exchange of the higher, if less tangible, spiritual and cultural values which identify the civilized man. Trade is a willing servant to the loftier aspirations of man. It demonstrates the rational benefits of a long-term mutual respect of rights and privileges.

Trade can help man to conquer himself. All physical conquests are of secondary importance unless human values have priority. In trade, man shows a net gain as a thinking creature with a sense of responsibility to his fellow man. Trade keeps the gates open, and when there is a constant exchange of goods, services, and credits, there is always hope for progress toward understanding.



Management Outlook: What's Ahead

The new year calls for sharper thinking, tighter controls, more imaginative plans—that's the opinion of top U.S. executives and economists.

"SOMEHOW while we weren't looking, the Soaring '60's turned into the Sober '60's. It's just for the time being, but it's caught economists and marketing analysts with their forecasts down. The business man now knows his job is going to be tougher than ever if he expects to keep the growth curve rising." Thus T. F. Patton, president of Republic Steel Corp., sums up the challenge of 1961.

There are about as many names for the present period of transition as there are observers of the scene. Most still shy from the loaded term "recession." *The New York Times* has called it "high-level stagnation," while one cheerful observer characterizes it as an "interboom." But of sixteen economists questioned by DUN'S REVIEW in mid-November, every one anticipated a decline in total economic activity during 1961.

All but one, however, confidently expect a recovery in the latter half of the year, and most predict a drop in the GNP of only about 1 per cent.

Five economists see Government spending as the main stimulus to the economy in 1961 for every one who points to factors such as housing, exports, and high retail sales. Cutbacks in capital spending were most frequently cited as the heaviest drag on the economy.

Most of the sixteen believe that the Democratic victory will have little effect on business conditions next year, and all agree that the present dip will be mild and relatively brief.

Nevertheless, many business men feel that the boom has been lowered —right across their backs. A new DUN & BRADSTREET survey of 1,500 companies (see chart below) reveals that while 61 per cent expect their sales to be higher for 1961 than for 1960, fewer than half expect to improve their profit margins.

Despite the less-than-springy start of the '60's, only 5 per cent of the manufacturers surveyed have braked their expansion plans, and most of these are in steel, metalworking, and transportation equipment, industries hit hardest in 1960.

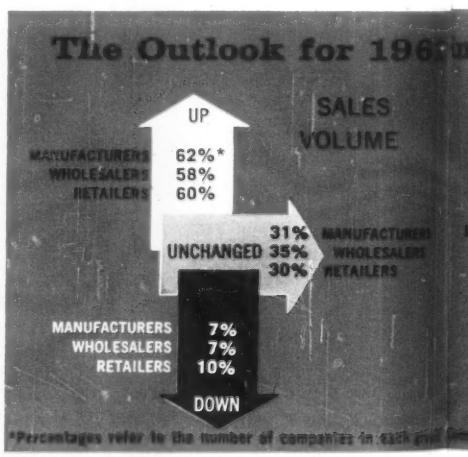
Inevitably, the profit squeeze will force greater effort and more creativity than ever before from management, with the emphasis on planning, both short- and long-range. Here is a preview—drawn from exclusive interviews with management specialists and a DUN'S REVIEW survey-in-depth of 65 manufacturing companies—of what's ahead in each major management area in 1961.

General Management

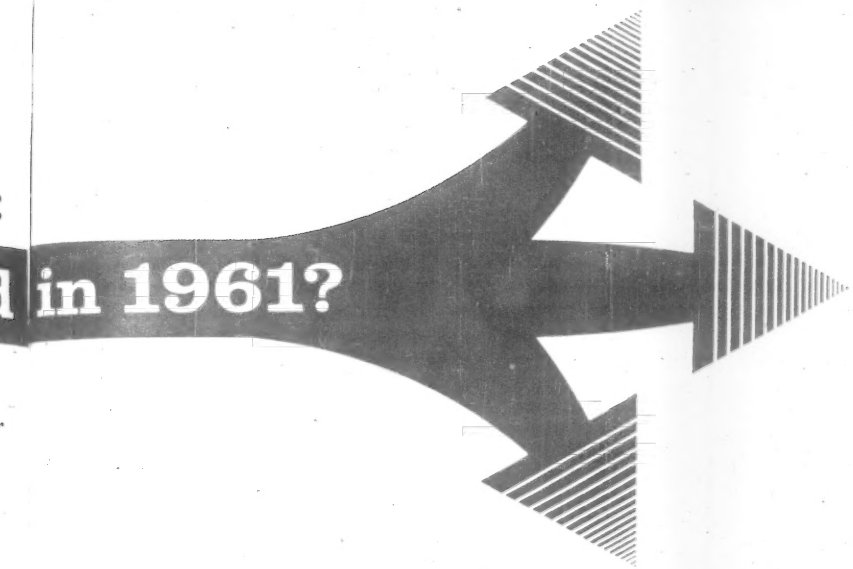
THE LESSONS learned during the three postwar recessions are showing up in management's plans for 1961. Despite the recent failure to meet sales forecasts, few companies are chopping their advertising, sales promotion, and research and development programs. Increasingly, management is recognizing the happy experiences of Bell and Howell (see DUN'S REVIEW, August 1959, page 38) which boosted the budgets for these and other programs during the 1957–58 slowdown and enjoyed substantial sales and earnings gains later.

Says Lawrence Litchfield, Jr., president of Alcoa: "We're pressing our research and development and market promotion efforts—we've been startled in the past to witness how fast the tide can turn."

Not that cost reduction plans will go in the wastebasket. But progressive companies now recognize that continuing programs for cost control are most effective. Office operations



How do business men estimate the year ahead? Among manufacturers, producers of petroleum and coal products and food manufacturers reveal the most optimistic sales outlook for 1961. Eighty-eight per cent of the first group and 75 per cent of the second expect higher sales than in 1960, in contrast to only 41 per cent of manufacturers of instruments and related products and 44 per cent of paper products manufacturers.



and physical distribution will feel the most pressure, since their costs have risen much faster than manufacturing direct labor costs.

According to Walter Semlow, president of Barrington Associates, Inc., management consultants, virtually all top executives claim their companies have already instituted three major management programs to spur growth. But, he says, a good three quarters of them mistake wishful thinking for reality. Semlow believes that the typical U.S. company still lacks:

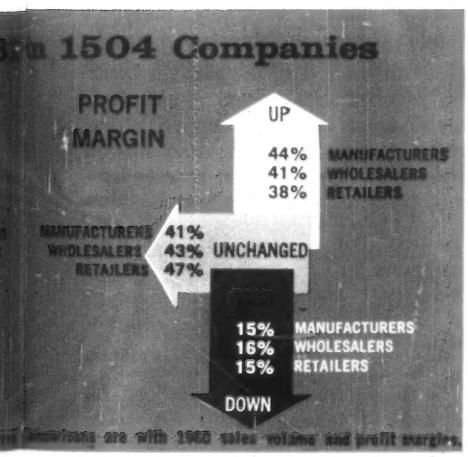
- A comprehensive long-range program which is constantly updated
- Profit-planning and control, including the direct costing of both products and company functions
- A product management program that provides direct profit responsibility for keeping each part of the line up-to-the-minute in pricing, design, and marketing techniques.

Besides searching almost daily for solutions to the profit squeeze, top executives must also tackle:

- The growing volume of reports
- The need for tight and sensitive controls over decentralized and diversified activities.

Many companies will be pressing hard next year to centralize data processing for all company divisions and subsidiaries. The computer will have more of a chance to perform in its real role, producing totally new combinations of operating data.

But perhaps the most noteworthy change will be the new organizational approach to company information problems — "administrative management," a concept that has only emerged in the past few years (see DUN'S REVIEW, September 1960, page 45). According to Gabriel N. Stilian of the American Management Association, most of the 200 executives at the first AMA conference on administrative management in October indicated their companies are going to adopt the new setup soon. Although the approach may vary, in general it will involve raising the responsibility for companywide information handling and reporting sys-



Smaller companies are less optimistic about 1961 sales than medium-size manufacturers. Those in the largest size group are the most optimistic of all.

The percentage of manufacturers anticipating larger profit margins in 1961 varies from 29 per cent of apparel manufacturers to 75 per cent of producers of petroleum and coal products. Again, the larger size groups take a rosier view than the small.

Economists Size Up 1961

Last June we entered the fourth business-cycle recession since the end of World War II. It will probably not last beyond next March or April, and it should be milder than the previous recession.

—O. Glenn Saxon
Yale University

Next year will be a period of listlessness. Corporate profits will probably decline further during the first half and recover moderately during the latter half of 1961.

—N. G. Dumbros
The Ohio Oil Company

We are in the early stages of a recession. Something like the 1957-'58 decline seems to be about the best we can hope for. Little if any recovery can be definitely foreseen.

—V. Lewis Bassie
University of Illinois

In view of new technology and the growing labor force, there will not be sufficient expansion in 1961 to keep unemployment and excess capacity from rising higher.

—Leon H. Keyserling
Consulting Economist

New spending measures by the Government will probably effect a turning point in 1961, but it may be late in the year, and recovery may be slow. I would guess that the 1961 GNP will not be far off the 1960 figure.

—Gerhard Colm
National Planning Association

1960's-Soaring or Sagging?

Five Economists Answer

The fact that the 1958-to-mid-1960 upswing was less than normal does not affect the outlook for the 1960's. The next upswing is just as likely to be greater than normal.

—V. Stevens Hastings
Chase Manhattan Bank of New York

By 1962 or 1963, the decade should look more encouraging. With postwar scarcity and rebuilding at an end, new technology and research may provide the expected growth.

—A. G. Abramson
SKF Industries, Inc.

The 1960's may well be a sober and difficult period for the economy, a time for hard work, fortitude, and realistic adjustment to the changed position of the U. S. in the economic and political world. Growth will not come so easy as it did in the 1950's.

—Malcolm P. McNair
Harvard University

Results of R&D in the 1950's, put to work in the 1960's, should bring progress. It takes time to adjust from forced-draft growth to the healthier type envisioned for the '60's.

—Robinson Newcomb
Robinson Newcomb Associates

What has happened so far in 1960 certainly doesn't change the outlook for the decade as a whole. Once the 1960's get off the launching pad, they will indeed soar.

—George Cline Smith
F. W. Dodge Corp.

tems to the top levels of management.

Many companies — both centralized and decentralized ones—are planning to reappraise their organizational setups, but few companies are definitely planning to recentralize in 1961. Rather, as the controller of a large multi-division company notes, there is a new atmosphere developing: "An emphasis on broad corporate thinking is emerging, to replace the divisional and subsidiary thinking that has been part of our company philosophy for so many years."

Industrial Relations

THERE IS a new climate in labor-management relations and management is enjoying the change. Encouraged by recent trends, more companies will push hard in the months ahead for improved work rules (see DUN'S REVIEW, October 1960, page 38). At the same time, in the face of foreign competition and increasing automation, labor is expected to be less militant in its demands.

Within industry itself, training programs will take on a new importance. Other projects that will heighten the effectiveness of the workforce in the 65 companies surveyed:

- Inventories to pinpoint the skills of middle managers and specialists
- Retraining programs for electronic data processing and automated plant equipment
- Revamped compensation plans, particularly for salesmen
- More selective hiring practices.

Executive appraisal and development will remain the No. 1 personnel problem. Yet despite the long-range outlook for an executive shortage, during early 1961 there will be fewer openings. According to Executive Manpower Corp., New York, which surveyed 133 large manufacturers, the demand will be highest in sales (28 per cent of the available jobs), manufacturing (22 per cent), general management/administration (16 per cent) and engineering (15 per cent). Most will be replacements rather than new jobs.

Production

EXCESS production capacity—these are the words that haunt a sizable segment of U.S. industry. In few cases is the situation truly grave, but idle plant and equipment are luxuries no company can afford. Here is the new, tight line management will follow:

- Consolidation of manufacturing whenever possible, with improved equipment for more economical production runs
- Production of more components in plants operating well below capacity
- Modernization of facilities.

Expenditures for modernization usually account for about two-thirds of the total capacity spending by manufacturers, but the proportion may go higher next year. New layouts will be flexible, readily adaptable to changes in the product mix resulting from new products or diversification of models for foreign markets.

Investment in new plant in the U.S. will decline slightly in 1961, but industry expects to boost its spending for new facilities overseas by about 6 per cent. (A glance at the growth curve in Western Europe alone tells why.) The budget for new research facilities, too, will be larger than ever before, as R&D expenditures rise.

Cost control in the plant will be a by-word in 1961, with the accent on profit responsibility at the operating level—a program which, in turn, must be integrated into the overall effort for "total quality control": broad, systematic analysis of all the factors—design, materials, materials handling methods, shipping methods, packaging, and so on—that affect product quality.

Finance

PROFITS may be harder to find in the first half of 1961, but financing problems will be less thorny. Financial experts anticipate a further easing of the money supply and a softening of interest rates.

Among the new developments:

A bigger-than-usual boost in the volume of leasing. Rates will probably dip and become increasingly attractive for companies short of working capital.

Fewer companies going public during 1961. Only a complete turnaround in securities markets will alter this prediction.

A big growth in Small Business Administration financing. This is almost bound to follow the recent easing of the eligibility rules.

A Year of Automation Progress

Inexpensive input devices for transmitting data over regular telephone circuits have recently been developed; teletypewriters which operate at the speed of 1,000 words a minute are being field-tested; telephone companies expect to install 10,000 Data-Phones in 1961; Western Union is building a new transcontinental microwave system which will make available a large number of broadband circuits for rapid transmission of business data; low-cost data collection systems are being perfected—all these developments mean that a new day in company communications has arrived.

In 1961, data fed directly from remote plants and offices to central computers will give management the facts and figures it needs in record time. How it will use this new capability in realigning decision-making functions is the major question.

Automation in the plant will receive its chief impetus in 1961 from the application of numerical control. The recent "Machine Tool Exposition" in Chicago has demonstrated overwhelming acceptance of this new technology by machine tool builders, previously hesitant about accepting tape control. For the job shop—which accounts for the bulk of U.S. hard goods production—it means making machine tools from two to four times as productive as comparable tools under manual or tracer control. As the last decade saw the spread of the computer in the office, this decade will see the spread of tape-controlled machine tool systems in the plant.

John Diebold, President
John Diebold and Associates, Inc.

Marketing

BOOSTING total volume in the face of razor-sharp competition and creating profitable sales—with the accent on the profit—will be management's most immediate concern in the twelve months ahead. More sophisticated market research and improved reporting systems will be brought into play. The job of product manager will appear more frequently on organization charts as management seeks tight control of the varied marketing and related activities in multi-product companies. Sales expenses will be scrutinized with a sharp eye, though profitable programs will go ahead.

Management will be increasingly concerned next year with finding new ways to meet the competition from low-priced foreign goods. At the same time, more and more companies will be working for deeper penetration into foreign markets—many that couldn't meet domestic sales forecasts for 1960 found their foreign sales easily topped the projections, and the most popular projects among the 65 manufacturers surveyed have an international bent.

Among the 65, those who had to revise their domestic sales forecasts downward before 1960 ended outnumber the more realistic by two-to-one. Consequently, next year there will be more "bottoms up" sales projections, based on data gathered in the market rather than estimates of broad industry trends.

Heavier investments in computers and other equipment are planned to speed up the information feedback on both sales and inventories at various levels of distribution. Companies are also analyzing sales territories to bring them in line with recent shifts in both population and industry. Field sales managers will be hearing a lot in 1961 about the importance of profitability over mere volume. Management also has plans to tighten controls over the field sales force, to improve the flow of feedback information from salesmen to management, and to have salesmen handle more products.

Manufacturers will put more stress on "consulting services" for distributors and dealers and on such projects as the operations research study at the American Radiator and Standard Sanitary Corp. Starting in 1961, this Plumbing and Heating Division program will use a computer to estimate the product mix in 125 categories in twelve regional markets.

Many companies will have to cope with distributors, wholesalers, and dealers who are increasingly reluctant to carry sizable inventories, demanding ever-faster delivery. Air freight, piggyback, and containerization shipping methods will become ever more popular—and so will company campaigns to streamline the paperwork involved in processing orders.

In an effort to meet delivery demands without making a sizable increase in finished goods inventories, some manufacturers are planning unusual solutions. The South Bend Tackle Company, for instance, is redesigning its entire product line to make greater use of common components so that it can fill a wide variety of orders at top speed.

According to Booz, Allen & Hamilton, management consultants, by the end of 1961 permanent low inventories will be common in industry, and many company programs will have to be adjusted accordingly.

In many companies, a new "director of physical distribution" will be integrating traffic management, materials handling, packaging, shipping and receiving, finished goods inventory control, warehousing, the operation of private truck fleets, and even, in some instances, customer service. According to Allan Harvey, president of Dasol Corp., consultants, "Four times as many companies will designate a vice-president or director of physical distribution in 1961 as have during the past five years."

Downward pressure on prices is forcing many manufacturers to search for ways to build in added benefits for customers. They are planning more economy models for 1961 and analyzing products to cut installation costs. Some are ready to let the annual model change slip into oblivion.

New products will be popping out all over in 1961, but management at the same time will be studying the profit contribution from each item more intensely. Reports Frederick K. Daggett, president of Flexible Tubing Corp.: "We'll be stepping up our study of marginal profit items, either to eliminate them or to work out new marketing methods."

In these and other ways, manufacturers show their agreement with a prediction made by Cresap, McCormick, and Paget, Inc.: "Marketing activities will probably offer the one greatest potential for cost-reduction management in the year to come."

—THOMAS KENNY

The president of a giant American manufacturing company tells what's behind his corporation's 75-year record of overseas profits.

An exclusive

DUN'S REVIEW
AND MODERN INDUSTRY

interview

"If you go into foreign operations to stay, you'll come out all right in the long run, but you can't run foreign business by writing memos and reading reports."

NCR's Foreign Success Story

"WHEN YOU go into overseas operations," says Robert S. Oelman, president of the giant National Cash Register Company, "the important thing is to go in for keeps."

Seventy-five years ago, NCR went into foreign operations for keeps. It expects the net return this year will be sales of over $180 million from outside the United States, 40 per cent of the company's anticipated total of $450 million.

Interviewed at his New York headquarters, Oelman, the company's newest chief executive, discussed both the challenges and potentials of international operations and the basic principles NCR has followed in becoming one of the most successful international business organizations.

"Right from the beginning, NCR adopted a philosophy of going overseas to stay, designing the product to fit local requirements and employing nationals.

"You have to remember," he notes, "that we started overseas operations one year after the company was founded in 1884. By 1900, we had our first European factory, in Berlin. In the years since World War II, we have put up plants in Britain, Germany, France, Switzerland, Sweden, Japan, and Brazil and expanded our operations in Toronto, and, of course, at the home factory in Dayton."

National Cash Register Company grew out of the practical invention of a Dayton, Ohio, tavern keeper, and the brilliant salesmanship of John H. Patterson. The tavern keeper, James Ritty, invented a machine with a clock-like dial indicating the exact dollars and cents that his clerks handled. Patterson bought rights to the machine in 1884, and then blazed a trail as one of the first of the modern salesmen. Many of his innovations—selling a complete system and service, to name only one—have since become standard practice.

Patterson also emphasized research and development. Although the company's bread and butter has always been its cash registers, more than half its worldwide sales are now in other business machines. Today it does

business in more than 100 countries. Yet despite its extensive foreign operations, NCR is still basically an American company. It is American-owned, run from Dayton, and makes more than half of its money in this country. Dayton makes the components for many overseas assembly plants, and whenever possible, shipments into areas where NCR has no plants are made from Dayton, rather than from overseas factories.

NCR is planning major domestic expansion. By the end of the year, for instance, it will open the first of eight data processing centers for a nationwide network.

A story of growth

When Oelman joined the company in the middle of the depression at $12.50 a week, National Cash Register was already one of America's largest manufacturers. Now it is one of the largest in the world. Like the organization he has served for 27 years, NCR's president takes a friendly attitude toward the world at large. Relaxed and soft-spoken, at 51 he is a prime example of the international executive. He believes that no memos, no delegation of authority, no statistical report can take the place of face-to-face contact, and he averages three or four extensive trips a year. "Particularly in international operations," he says, "you have to go to the spot and work with your people there." Most important for the international executive, he believes, are a global approach, lack of provincialism, and an awareness of "what is actually going on in foreign countries and what the people want."

"Employment of nationals," he says, "is one of our major principles. Out of about 24,000 men and women working for NCR overseas, only eight are Americans. We have found that, with proper teaching, people everywhere can learn the necessary factory and selling skills."

Sometimes NCR has found they must learn more than skills. When the company launched its $3 million Oiso operation in Japan, it had to convince native salesmen—traditionally low on the Japanese social scale—that they would be key factors in the company's success. Special training, and pay on a commission basis, has helped rid them of a sales-crippling inferiority complex.

Other Japanese employees also had to get accustomed to American-style incentive wages, which were substituted for the local system of pay based on seniority or need. But Oelman is quick to point out that all the adapting cannot be done by the nationals. In the same Japanese factory, for instance, the company has installed a parts numbering system keyed to the bilingual records which the company keeps.

Occasionally the very difference between foreign ways and our own can open up unexpected advantages. For instance, local NCR service people in Cairo a few years ago worked out a way to revise accounting machines to Arabic currency requirements. With engineers at Dayton, they have since developed machines to service the whole Middle East.

Adapting to the habitat

Tailoring a product to the peculiar requirements of overseas markets and setting up extensive service organizations are both characteristic of NCR methods, Oelman notes. And although NCR also prefers 100-percent ownership of its overseas facilities, it is flexible to local requirements and opinion.

More important than local ownership, Oelman feels, is reinvestment of earnings to develop business in each country in which an American company opens shop. In direct contradiction of the common accusation that U.S. business "exploits" other nations, NCR usually turns back into local development about the same percentage of earnings that it turns back from its operation in the U.S.

NCR also has developed a definite policy toward local politics: Stay out. Oelman points out, though, that a corporation which employs nationals almost exclusively will usually come out unscathed when there are political upsets. And even when political changes create problems for companies with established local operations, there may be opportunities for new companies to get in "on the economic ground floor" with a new regime.

Change in the air

Changes of all kinds, in fact, may signal fresh opportunities. "For instance," Oelman notes, "South Africa is changing from a sterling to a decimal system. Australia is considering such a change. In both cases, conversion provides a big opportunity to sell new business machines."

The varied rhythm of different economies offers another advantage to international companies. "Business may be good for peculiar reasons in one area, while not so good in another," the NCR president points out. "Foreign operations thus add an element of strength to the corporation which a purely domestic company lacks."

Looking into the immediate future, Oelman sees great opportunities in the European industrial boom. He and Stanley C. Allyn, NCR board chairman, also recently visited six countries south of the border to study the company's operations and potentials. Says Oelman, "A number of the countries in South America have gone through inflationary periods and now are making real efforts to balance their budgets. If they succeed, such countries as Argentina, Chile, and Peru will provide increasing opportunities for international business."

—JOSEPH R. MARSHALL

"The kind of licensing, royalty, or division of ownership you set up must be based on the feelings of the country where you are going to operate."

THE FOLKLORE OF MANAGEMENT: XII

Should key executives be retired at the peak of their powers? Can companies afford to lose the day-to-day guidance of seasoned managers, solely because they've reached a certain age? Here is the surprising answer of the man President Eisenhower has recently called "the most 'unretired' retired business man" in his administration.

The Myth of Retirement

CLARENCE B. RANDALL

LET THERE be no mistake about one thing: Retirement itself is no myth.

Those of us who have already retired can certify to that in full. Not a day begins but what we are keenly aware of the change that has come into our lives. And the change is good.

Retirement comes to each man in turn, except, of course, to those few mad characters who behave as though in their cases Providence, with infinite farsightedness, had suspended the rules and bestowed upon them the priceless gift of executive immortality, lest the world suffer disaster by having their steady hands withdrawn from the control levers.

It is not the fact of retirement that is the myth, but the reason why. The fundamental necessity for this complete transformation in a strong man's life is badly misunderstood and so clouded with fog that the cool, fresh wind of clear thinking is needed.

The first point which should be driven home to all concerned—and that means wives and children, as well as the general public—is this: In a large company, compulsory retirement is solely a function of organization morale and discipline. It has nothing whatever to do with the physical fitness or mental alertness of the individual concerned.

Selective retirement—the choosing of some to stay on when others are handed the gold watch of dismissal—cannot be wisely and fairly carried out as policy for a large group. The lawyer, the doctor, or the otherwise self-employed may make his own decision in this critical matter, but not the man who is responsible for the well-being of a fine institution. There just has to be a rule—and all must be governed by it.

Come 65, or whatever the predetermined age, there are many fine Americans who are not only altogether fit but are actually at the very peak of their powers. Some at 70, 75, or 80, look young, act young, and in fact are young. Superficially, it seems wrong to deprive a company of the great abilities of such men.

But that is only one side of the picture. Offsetting these paragons there is, unhappily, in every company a less favored group. These are the men who at 60, or even less, have so slowed down that they no longer pull their weight. Such officers do more than block the advancement of abler, younger men. Because through seniority they have reached top responsibilities, their lethargy exercises a braking action on the entire corporation.

To choose who should retire in these two contrasted groups may appear simple, but in practice it is complex, and utterly destructive to sound human relationships. Always there will be one or two on each side who are easily recognized. Everyone admires good old Charlie, who stands straight as a ramrod and never looked better. On the other hand, everyone feels sorry for poor old Fred, who has had so much sickness and trouble

THE MYTH OF RETIREMENT

Retirement comes to each man —except, of course, those few mad characters who behave as though Providence had bestowed upon them the gift of executive immortality.

in his life that he is just going through the motions of working. In between, however, there are a lot more about whom opinions differ. The youngsters think they all ought to quit. Those who are approaching retirement themselves think they all look good.

Who is to choose? Who is so all-wise, or so calloused in conscience, that he dares to look the whole company in the face and say this man shall stay and that man shall go? What doctor or psychologist has such all pervasive understanding of the human body or of the human mind that he can devise reliable tests to determine fitness, so that management itself may be relieved of making the choice?

Even if such a miracle were to come to pass, the very giving of the tests would itself disturb morale. The man concerned would, of course, be the last person capable of forming a sound judgment about his own retirement. And so swiftly does change come in the later years that the testing would have to be almost continuous, and carried out at frequent intervals.

Each of us secretly believes that he is the genuine superman. If the test should be unfavorable, the individual in question would most certainly be grievously offended, and so would all his friends. Each dismissal would bring a flood of recriminations, rumors, and backstage gossip about the injustice done to those retired and the favoritism shown to those kept on.

Good team play cannot survive such tensions. Capriciously to release some men who have given long and faithful service while retaining others whose careers have been in parallel sets up stresses within an administrative structure which wise management cannot tolerate. There must be a single standard and a single rule, one which is rigidly enforced without fear or favor.

As to what age retirement should be made compulsory, opinions may differ. Obviously it should approximate as closely as possible the median line between the more fit and the less fit. The judgment must be arrived at conservatively, and doubts must be resolved in favor of the company rather than the individuals. At present, experience and common consent have placed the line at 65 years, but future generations of management men must from time to time review the question in the light of their own experience. The important thing is that there be a rule.

The man at the top must necessarily set the example. No matter how able at retirement age, he must nevertheless scrupulously apply to himself the rule by which he governs others. All right-thinking men know this and conform, but incredible as it seems, there are still some petty tyrants who do just the opposite. Cads and cowards that they are, they so abuse the power given them that they retire subordinates while still keeping themselves on the payroll.

By way of parenthesis, it should be pointed out that the rule should govern executives, those who make the day-to-day decisions, as distinguished from those who serve on a

THE MYTH OF RETIREMENT

The youngsters think they all ought to quit. Those approaching retirement think they all look good. Who is to choose? Who is so all-wise, or so calloused?

board of directors, either of their own or of some other company. The qualities of fitness required are not the same in these two categories. After the time when a man should release to younger minds and wills the function of saying a crisp "yes" or "no," there may well be a further interval when his wisdom and experience can have great value in the senior councils of his company.

But here again there must be a rule which applies to all. Nothing is more embarrassing or pathetic than the struggle some corporations have to go through in trying to lose rich but senile directors. Present experience seems to indicate that 72 is about the right age at which to draw that line.

Let me repeat, however, that the establishment of these rules, whether

THE MYTH OF RETIREMENT

The man at the top must set the example. No matter how able at retirement age, he must scrupulously apply to himself the rule by which he governs others.

for executives or for directors, is entirely disassociated from inquiry into the fitness of a particular individual. It is here that the mythology should be swept away once and for all.

Retirement should carry no stigma of unfitness whatsoever. It should

never be thought of as a life sentence to inactivity. It should be recognized as acceptance of a principle that bears upon the group welfare of the company, but one that has no bearing at all upon the man's own capacity to go on giving useful service to society.

THE MYTH OF RETIREMENT

Pity the man who has nothing that he has long dreamed of doing. Could anything be sadder? At retirement his friends tell him that he should take up a hobby.

Quite the contrary. Retirement may open up the most richly rewarding experience of a man's entire life.

Almost immediately, an exhilarating new freedom is bestowed upon him. In the life of every business man there are things which he does, and does well, solely from a sense of duty, not because his heart is in them. The old obligations, which may have long since lost their novelty, no longer fetter him. He may now choose for himself the activities into which he will throw his energies, and not have the choices forced upon him. He may now seek out the new challenges which have long been in his mind, but which have been denied him because of the pressure of his routine duties.

Pity the man who has no unfinished

THE MYTH OF RETIREMENT

Our way of life is in peril. How can a man who has reaped its benefits do better than to work for its preservation? There is a task suited to every skill.

business in his life, nothing that he has long dreamed of doing but which has been blocked off by the earnest business of making a living for himself and his family.

Could anything be sadder? At retirement his friends tell him that he should take up a hobby. What a loathsome word that is, carrying the connotation that desperate measures must be taken to keep the poor fellow from cutting his own throat! Surely his company can say "good riddance" when he retires, for his self-starter has obviously long since ceased to function. A man so lacking in imagination and will power that he can think of nothing to do has probably not brought a new idea to his job in twenty years.

The man who cheerfully accepts retirement and enters with genuine enthusiasm into the reorientation of his life has one further advantage. He can select from his deferred agenda the activity which excites him most, and he can also establish his own tempo and rhythm in doing it. He can work part-time or full-time as he pleases, and can alternate almost at will his periods of activity with those of rest and relaxation. When the time comes for a vacation trip, he does not have to tell his wife that the company cannot spare him just then. He can take a series of short assignments one after another, tackling one and licking it and then moving on to the next, or he can fix his eye on just one objective for the rest of his life. Always he will be moving at his own pace, and setting his own goals.

He can also fix his own compensation. If his life has been lived in a calling that is underpaid, he can now sell his services to the highest bidder and try to make some money. In a surprising number of cases, a man who needs to be gainfully employed earns more after retirement than he did before. He has known for a long time that he could do better on the outside, but his pension rights have kept him on the job. Now he can smile each day at the thought of that larger pay check.

On the other hand, if he is fairly comfortable and can maintain a standard of living that is reasonable in the light of all his circumstances, he can learn the sheer joy of unselfish public service, the deep satisfaction of doing a job just because it needs to be done. At every level of society the world cries out today for men who will dedicate themselves to the public good. Our way of life is in peril. How can a man who has reaped its benefits do better than to work for its preservation? Somewhere there is a task suited to every skill, an unsolved problem that can be mitigated by the very type of ability which the retired executive has already displayed in his company. He ought to know where the right spot for his effort is, but if he happens not to, there are many who will point it out to him.

The die is cast, however, long before age 65, and this part of the myth needs clearing up, too. Whether a man will be prepared psychologically when his turn comes to face the challenges and enter into the satisfactions of retirement is irrevocably determined before he reaches middle life. It is not at 65, but at 45, that the basic decisions are taken. If before he is 45 a man has found nothing that fires his imagination, nothing that arouses his creative powers and that enlists his best efforts but the daily shuffling of papers on his desk, he will be a pathetic failure in retirement. If he has never risen above his job and gone all-out for some task or cause totally unrelated to his business, he will be a hopeless case at 65, a perpetual problem to his family and his friends.

But if all along his life has been overflowing with infectious enthusiasm for ideas and ideals that have their roots in a world outside the routine of mere money-making, he will

THE MYTH OF RETIREMENT

Retirement should carry no stigma of unfitness. It is not a life sentence to inactivity, for it may open up the most rewarding experience of a man's life.

go on as long as he lives, growing in usefulness to the world about him, just from sheer personal momentum. He will not have to learn to fish at a time when his arthritis hardly permits him to hold a rod.

There is an added bonus, too. The physical and intellectual activity thus generated, along with the *joie de vivre* which inevitably springs from it, will actually prolong his life at the same time that it deepens his satisfactions. Retirement is challenge and excitement, not inaction; privilege, not abnegation. END

Who is better equipped to sell products than the men and women who make them?

Here's a simple way to push your sales and profits, without huge outlays.

Put Your Workers on the Sales Team

ROBERT NEWCOMB & MARG SAMMONS

WHAT industry now needs, one business man has observed, can be described in one word: Orders. Recent management conferences dedicated to this vital pursuit normally culminate in still another word: How?

One consequence of these new concerns of management is that the relation of the company employee to the sale of the company product is coming into clearer focus. Over the years, the shop employee has been instructed to "turn out quality products" to help the salesmen. This generally has ended his involvement with the selling effort. Today, as a result of management's probing for new avenues to orders, all employees are being invited into the sales fold. Blossoming under sudden management encouragement, they are opening up new markets and reviving old ones.

AT THE DRAW: *One lucky employee of New York's First National City Bank has just won a share of bank stock at the monthly drawing that is part of a continuing incentive contest. Every introduction card handed out by an employee and submitted by a new customer goes into the drum. Employees are sold on the program—and the bank netted 2,500 new accounts in one recent month.*

Assemble the isolated instances, and you find employee enthusiasm and ingenuity at work in a campaign to attract orders:

- A telephone company repairman, for example, summoned for a minor adjustment to a customer's telephone, walked out with an order for a new extension in his pocket.
- A tabulating machine operator in a bank loaned her new neighbor the sugar she had asked to borrow, and persuaded her to open a savings account at her bank.
- An airline maintenance man talked his doctor into changing over to air travel via his employer's planes, simply by describing vividly at each visit their speed, comfort, and convenience.

Company managements, increasingly conscious of the value of employees as sales ambassadors, are taking steps to see that employees are informed about trends and developments in company products. A sales manager recently remarked: "Our employees represent a selling force of some 1,200 people who can become productive salesmen and saleswomen for us. But it is our responsibility to keep them posted on our products, to let them know their good qualities so they can talk about them among their friends. Before we ask our sales staff to sell, we tell them all about the

products. We should certainly not do less for the employees whose sales efforts we also want—and need."

Keeping employees up-to-date on product information is a profitable procedure. At times it calls for gingerly handling, since no company wants vital product information to slip prematurely into competitive ears. But an employee informed about his company's new products may readily become an articulate booster, and some of his enthusiasm brushes off on friends.

Figuring the payoff

Some types of business can put their finger on tangible increases without difficulty or guesswork. One of these, of course, is railroading, where campaigns to entice new business are virtually continuous among employee groups. In the Santa Fe, a "travel tip" program to stimulate passenger service supplements the day-by-day drive for freight business. Employees submit names and addresses of people planning trips—one such "tip" resulted in 102 passengers traveling the Santa Fe from Fort Madison, Iowa, to Chicago for a flower show. At latest report, of 426 travel tips, 248 had been converted to actual, traceable business, and 56 were still possibilities. Translated into dollars and cents, this means a total $32,354.57 received by the railroad as a result of the employees campaign.

The country's oil companies are appreciative of the collective selling potential at their fingertips. A service station employee, for example, customarily advertises his place of employment, and his friends and neighbors as a rule tend to patronize him. The pipeline crew man and the worker deep in the recesses of a refinery have no direct point-of-sale relationship like this, but for them some companies devise prize contests aimed at enlisting their interest. At Union Oil Company in California, the management recently introduced a credit card contest open to all employees—active and retired alike. They are encouraged to solicit credit card applications among their friends. When an application is approved at headquarters and the customer makes use of his credit card, the employee-sponsor receives a gift certificate.

Many companies utilize the contest technique, and some engage the experienced services of so-called "prize incentive" companies to assist them. In prize incentive campaigns, participating employees win "points," each of which is approximately equivalent to a penny, redeemable in merchandise selected from the incentive company's catalog. Cost of the merchandise is shown in the catalog in terms of points, and ranges generally from 50 points to 500,000.

An incentive program labeled "New Faces for First" was launched last September by the First National Bank of Chicago in an effort to attract new business. Using a points contest, it resulted in an increase in new business of more than $1 million in the first ten days. To encourage participation in the early stages, the bank sent each employee 200 free points with the original announcement, along with the adroit proviso that these points were valid only when he had brought in the first new business.

"Commissions" for new business

Prize points were awarded for all accounts, including savings, regular and special checking, installment credit, safety deposit and other services. A new savings account, for example, earned 400 points for an initial deposit of from $10 to $99; 700 points from $100 to $500, and an additional 100 points for each $100 over $500 up to $10,000. A bonus was paid for each five new accounts. Retired employees were eligible on the same basis as regular employees. Those whose work involved no public contact got a 50-per-cent bonus on any points they earned.

At another bank—National Bank of Detroit—employees won a 50 per cent bonus in prize points for new business brought in during the first two weeks of the contest. A total of 25,013 new accounts was secured in this particular campaign, with 74 per cent of the bank's employees participating.

United Air Lines' continuous "All-Sell" program is a testimonial to the magnetism of the well-conducted prize contest. Now more than two years old, it has recorded new highs in actual dollars-and-cents return with each passing year, according to United officials. At United, any employee—other than actual "public contact" personnel—is eligible to win points for selling passenger or freight service. To earn them, he must furnish flight information to the travel prospect and reserve the space. A four-part IBM card serves as a claim form

HIGH POLISH: *S. C. Johnson & Son, Racine, Wis., put on a full evening's professional show with all the glitter of a Hollywood premiere to introduce its new products to employees. Here, one of them tries out a car wax on an auto supplied for just that purpose. Johnson is so convinced of their promotional power, that it solicits employee comment before launching all new products.*

and a prize point check. It becomes valid when the passenger boards the plane or—in the case of freight—when the freight itself is shipped.

In 1959, "All-Sell" revenue increased 47 per cent over the previous year. United management feels that, in addition to the increased revenue it provides, the program creates a genuine by-product: It serves to remind employees of the airline's services and objectives.

High-powered sales spurt

In Sunland, Calif., employees of the Sunland-Tujunga Telephone Company were given prize points when new service was purchased by prospects they had solicited. It was the first all-out employee incentive program of this type for a telephone company (Sunland-Tujunga is not a member of the Bell System). During the contest, 85 per cent of the employees averaged 16,600 points each. Sales of extension phones increased 186 per cent over normal, colored phone sales jumped 187 per cent, additional directory listings climbed 135 per cent, and "upgraded business" was lofted 116 per cent over normal. A recurring monthly billing gain of 139 per cent over the normal anticipated increase was also recorded.

The telephone people, of course, are old and experienced promotional hands when it comes to getting the employees solidly behind the new product. One of the latest of the telephone industry entries, as most of the nation is aware, is the new "Princess" phone. The Bell System worker who hasn't been inoculated with Princess sales fever has a fantastic immunity, since just about every known device of communication and promotion has been used to reach phone company employees and encourage them to broadcast the substantial attractions of the new model.

Promoting a princess

Although sales of telephone equipment traceable to Bell System employees are traditionally high, there is no dollar-and-cents incentive used to stimulate employee sales activity. The only return for their selling effort is the personal satisfaction that stems from the accomplished sale.

During the system-wide Princess sales campaign, each member company used its own promotional ingenuity in developing its local drive. At Cincinnati and Suburban Bell Telephone Company, the commercial department selected one of the many available charmers among the personnel to serve as a "Princess." Complete with ermine robe and diamond-bedecked tiara, she presided over the introduction of the new instrument to the various company departments. A special marketing team amplified her presentation with a graphic discussion of the new telephone.

Since employees at Cincinnati and Suburban are acknowledged to be the key to good sales impressions, employees were urged to install the Princess in their own homes, as an essential prelude to "talking up" the new phone to their friends. An intensified internal campaign resulted in more than 50 per cent of employees ordering the Princess. The drive was then broadened to encouraging employees to discuss the Princess among friends and neighbors. At the end of the second month, more than 10,000 Princess phones had been sold.

Service representatives contributed heavily to this total, but other employees also ran up an impressive score.

A Mountain States Telephone and Telegraph Company official made these significant comments on the efforts of employees to spur sales after its own "Princess" campaign: "We like to think that every one of our 25,000 employees is vital to our sales success. Whether they sell—or tell—customers about our services, they exert a strong sales influence. In 1955, Mountain States had only 32,500 color phones in use. By September 1960, the number was 675,000. In the first eight months of 1960, 51.6 per cent of telephones installed were either color or Princess phones."

Most companies that have experienced the benefits of employee cooperation in sales campaigns are elated over the interest and enthusiasm they have found. Management is obviously aware that it is not possible to tabulate accurately all the sales created. A good employee participation drive involves a great deal of word-of-mouth advertising which may result in purchases months later. No sales statistician is able to put a true dollars-and-cents yardstick on that. But when sales are on the increase, what business man cares? END

Every Employee a Salesman

A Checklist for Management

Here's a proven way to build an effective selling team among your own plant and office employees.

1. **Get them in the product-selling act early. Start contests for new product names. Urge them to suggest good new product possibilities.**
2. **Give new product information to employees *before*—or at least at the same time as—the release is sent to the press. Don't expect employees to do a selling job on a product they must read about in the local paper.**
3. **Inform the families as well as the employees by: sending announcements, ad reprints, etc., to their homes • staging product displays at family-night meetings, open houses, and company tours • giving samples of a new product to employees before it reaches the market.**
4. **Maintain employee interest continuously through: incentive contests • "brainstorming" sessions to discuss products and sales • quizzes on both old and new products • regularly promoting products with ad reprints and other promotional material on bulletin boards • publishing articles in the employee paper on unusual uses of your product.**

THE AUTHORS are the man-and-wife management consulting firm of Newcomb & Sammons, specialists in employer-employee communications programs.

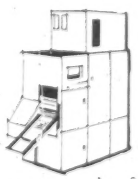
Xerographic copying speeds paperwork flow in all departments

Letters, drawings, reports are copied as fast as needed without loss of quality or appearance. Xerographic copying speeds communications and increases the operating efficiency of every type of business. XeroX® copying machines for all departments are available for outright purchase, or rental on a pay-as-you-use basis.

For general office copying XeroX 914 Copier copies anything written, typed, printed, drawn, or stamped—onto ordinary paper, your own letterhead, or card stock. There's no waste and no wet chemicals. It's the easiest of all office copiers to operate. Supplies cost about 1¢ per copy.

For high quality duplicating XeroX master-making equipment is clean, dry, fast, and remarkably low in cost. Reproduces from all kinds of originals, retaining all of the original's crispness and impact, whether enlarged, reduced, or copied size to size.

For volume copying from original documents, engineering drawings or microfilm, the XeroX Copyflo® Printers turn out copies up to 24″ wide—in seconds. It's the fastest known method of direct reproduction; there are no intermediates. Enlarges and reduces . . .



prints on ordinary, inexpensive paper, card stock, or offset master material.

Find out how other companies are using xerography to get out paperwork fast—at lowest copying cost. Write HALOID XEROX INC., 60-82X Haloid Street, Rochester 3, New York. Offices in principal U.S. and Canadian cities. Overseas: Rank-Xerox Ltd., London.

HALOID XEROX®

GOVERNMENT-BUILT PLANT: *Bausch & Lomb's factory in Northern Ireland has trebled in size since operations began in 1946.*

Why Britain Looks Good to U.S. Investors

» *The United Kingdom beckons American manufacturers who are looking for high-profit locations.*

» *The lures? Government inducements, a multitude of eager markets, skilled labor at sensible wages.*

WHEN the Euclid Road Machinery Company of Cleveland was looking for a place to establish European operations ten years ago, it studied scores of locations all over the continent. Behind its final decision—to open the new plant in Scotland, near Glasgow—were five hard facts:

- The good local supply of steel plate, castings, and forgings
- Price tags on machine tools and other equipment that read 25 to 40 per cent lower than those in the U.S.
- Material costs approximately equal to those in this country
- Ready availability of skilled and semi-skilled labor
- Close proximity of two seaports and easy access to two others.

By 1956, 29 American companies had been drawn to Scottish locations for similar reasons, and dozens of others had opened plants in other parts of the British Isles.

That was before the main excitement about the six Common Market countries hit U.S. business. Since then, the exceptional attractions of the EEC have diverted attention from the opportunities for investment and selling just across the Channel. Yet a surprising amount of American capital has been quietly flowing to Britain. Even when enthusiasm for the Common Market was at its peak, new U.S. investment in the United Kingdom was higher than in all the six EEC countries combined, mainly because the big U.S. corporations that can afford careful study and extensive surveys have continued to bet heavily on England's future as well.

Britain's many markets form one of the attractions for companies planning overseas operations. England is not merely a nation. It is also the headquarters of the British Commonwealth, whose members extend to each other a tariff rate known as "Imperial Preference." An American company with a plant in England can ship goods to Commonwealth areas and pay much lower duties than if they came from its U.S. factories or branches in other countries. There are even products which an American company can send to Canada more advantageously from a plant in England than from a U.S. location just across the border.

Britain is also the economic center of the "Outer Seven"—the EFTA bloc set up as a defense against Common Market competition. Goods made in Britain can enter the increasingly rich markets of Sweden, Norway, Denmark, Switzerland, Austria, and Portugal at very favorable tariffs.

In itself, the U.K. is a big market, with much of its potential unex-

TEST YOUR BUSINESS CARD

FREE KIT TELLS YOU HOW!

Does your business card represent your company effectively?

It costs little or nothing more to buy business cards that are scientifically designed to build prestige, create a favorable impression of your company and promote sales of your products or services.

This helpful card kit shows you how to test your business card and rate its effectiveness . . . how to overcome its faults. **If you use 5,000 or more cards a year we'll be glad to send you a copy. Here's what to do:**

1. **Write on the back of your card how many you use a year.**
2. **Send us your card.**

Absolutely no obligation. Write for free copy today.

Dept. D-48

R.O.H. HILL, INC.

270 Lafayette Street, New York 12, N.Y.

R. O. H. HILL . . . For the Finest Impression

NO SHELVING NEEDED!
STAXONSTEEL employs an engineering principle to combine the strength of steel with the economy of corrugated board. The steel supporting frame gives the drawer equal support front, back and sides. For long term economy there is no better record storage drawer than STAXONSTEEL. Five standard stock sizes available.

FREE Catalog and Record Storage Manual.
Write Dept. DR-12.

BANKERS BOX COMPANY
Record Storage Specialists Since 1918
2607 N. 25th Ave., Franklin Park, Ill.

ploited. Its 50 million people know what they missed during the austerity years, and now they are out to get it. Their country has highly developed industries and tastes—but it's underdeveloped so far as consumer goods are concerned. Only 25 per cent of British families, for instance, even have an electric refrigerator.

The U.K. is also a protected market. Unlike some of the Continental countries with low tariff walls, most of Britain's industries are still coddled against outside competition. And even though the days of Empire have pretty much passed, the areas once ruled by the British Crown are still oriented by tradition towards Britain. There are more Englishmen in India on business today than there ever were during the imperial era, and they take home bigger profits from a market which, as industrialization progresses, will absorb an ever increasing amount of goods.

Quite aside from market opportunities, though, the British Isles have assets which American manufacturers established there rate highly:

• *A skilled work force at relatively low wages.* English workers earn more than those in most EEC countries, but they are low-paid compared to ours, though comparable in education and tradition of workmanship.

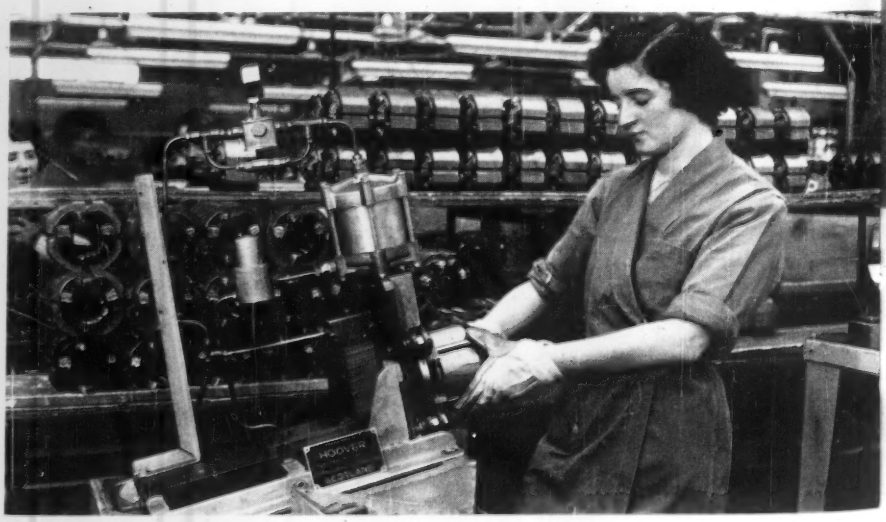
• *Stable government.* Nationalization no longer seems to appeal to the English public. The present Tory government, which has boosted production and prosperity without more inflation, has the confidence of U.S. companies, and even Labour Party policies have definitely grown more conservative.

• *The common language.* It may seem to the tourist that "everybody in Europe speaks English nowadays," but not to U.S. technicians and managers who have to explain mechanical principles or corporate aims. The problem is far from insurmountable, but in England it doesn't exist at all. Along with a legal system and a system of measurement similar to ours, that makes life a lot simpler.

Against these favorable points, however, there are several disadvantages. English managers, for instance, are less aggressive about jumping at new industrial techniques than their counterparts on the continent. English workers also can be exasperating to the foreigner who tries to teach new methods. U.S. companies find it best to have operations managed largely by English personnel, who—once they've accepted changes themselves—know how to suggest them in ways that won't offend.

Where competent tool makers get about 80 cents an hour, as they do in Scotland, though, a company can afford to devote time to training, and the managing director of Chemstrand Limited, Arvon L. Davies, recently pointed out that his company's need for electric-arc and oxyacetylene welders was speedily met when the Ministry of Labour provided an inten-

continued on page 46



BONNIE WORKERS: *A Scottish girl assembles a motor in one of three Hoover Company plants in the U.K. which manufacture vacuum cleaners, washing machines, and irons. Hoover has its own British sales organization.*

but why guess when you can be sure...faster...
with the remarkable mobile **EXECUTIVE KARDEX**

Mistakes can be costly. That's why executives who can't afford to be wrong depend on the Remington Rand Executive Kardex for correct on-the-spot information.

With the Executive Kardex, you just roll the facts you need to wherever you are. In the conference room . . . at the plant . . . in the office.

It quickly cues you on up-to-date information with colored marginal signals; gives whole histories at a glance.

So stop wading through unrelated material, costly, time-consuming reports. Get the facts you need on inventory, sales, personnel, ledger, production and credit . . . *on the spot* with the Remington Rand Executive Kardex. It pays to be right — *right where you are!*

All Remington Rand Equipment also available on long or short term lease plan.

Remington Rand Systems
DIVISION OF SPERRY RAND CORPORATION
122 EAST 42nd STREET, NEW YORK 17, N. Y.

ECONOMY NEVER CAME IN SUCH A CHOICE

NEW FORD TRUCKS

FOR 1961

619 new models! It's the biggest changeover in Ford history with more trucks to match more jobs, more savings on any job! New "Big Six" power for two-tonners! New Super Duty Diesel Tilts with the nation's most popular diesel engines! Suspensions that give up to twice the tire life of other types! New Econoline models that pack more load in three feet less truck length! New engines that deliver up to 40% more gas mileage! And all this at prices that give you a flying start to long-term savings! So for super-economy pickups or super-duty diesels, see your Ford Dealer . . . economy never came in such a choice!

New "Big Six" engine for more power!

NEW LOW-COST TILTS

New sleeper cabs! New weight-saving options for greater payloads! Money-saving ease of servicing!

NEW TOUGHER HEAVIES

New stronger hi-tensile frames! Huskier axles! Wider power-train choice! Short, 28 in. front axle setting! New high-durability cabs and sheet metal!

New Diesel powered giants!

NEW GAS-POWERED "H" MODELS! Here for the first time is the sure dependability of Ford Trucks with the proven power of Cummins diesels! Tailor-make your highway tractor to suit your job—choose from eight new H-Series Tilt Cab models (up to 76,800 lb. GCW), five Cummins diesel engines, five Ford "Big V" gas engines, and over 500 engine-axle-transmission combinations! Short, 28-in. front axle setting, 82-in. BBC dimension allows longer trailers, bigger payloads. And Ford's network of service facilities is nationwide!

NOW . . . MOST LIBERAL WARRANTY PROGRAM IN THE TRUCK INDUSTRY!

100,000 MILES OR 24 MONTHS On 401, 477 and 534-cu. in. V-8's, Ford Dealers will replace any major engine part (block, valves, pistons, bearings, rings, etc.) found to be defective in normal on-highway use. Warranty covers full cost of replacement parts for 100,000 miles or 24 months, whichever occurs first . . . full labor cost for first year or 50,000 miles, sliding percentage scale thereafter.

12,000 MILES OR 12 MONTHS On all 1961 Ford Trucks, each part, except tires and tubes, is now warranted by your dealer against defects in material and workmanship for 12 months or 12,000 miles, whichever occurs first. The warranty does not apply, of course, to normal maintenance service or to the replacement in normal maintenance of parts such as filters, spark plugs and ignition points. Never before have you had such protection!

AMERICA'S

New Econoline Pickup, 7-foot body. Low price, up to 30 mpg, 1000 lb. less dead weight, ½-ton payload!

America's toughest two-tonners!

Now . . . in a big 262 cu. in. Six, Ford gives you the power of big displacement, the durability of heavy-duty construction, plus the economy of 6-cylinder design! Available early 1961. New 2-ton toughness, too, with a stronger frame . . . new riding comfort with new smoother springs . . . and a front suspension that can give up to twice the tire life of other makes!

HEAVY TRUCK
GENUINE PARTS
Ford
SERVICE
DIESEL CUMMINS

Look for this sign at Ford Dealers across the country for parts and service on all Ford gas and diesel trucks!

MOST COMPLETE PICKUP LINE!

New Falcon Compact Pickup, 6-foot body. Scored over 30 mpg in certified tests! Load capacity 800 pounds! Low price!

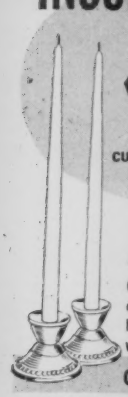
New Ford Styleside Pickup has integral 6½- and 8-foot bodies . . . up to 16% more loadspace. 9-foot Styleside also available.

FORD TRUCKS COST LESS

YOUR FORD DEALER'S "CERTIFIED ECONOMY BOOK" PROVES IT FOR SURE!

FORD DIVISION, *Ford Motor Company*

INSURED SAVINGS



4 1/2 %

CURRENT YEARLY INTEREST PAID OR COMPOUNDED QUARTERLY

plus FREE APPRECIATION GIFT

Open an account of $1,000 or more, and receive this beautiful set of Sterling Silver weighted Candlesticks.

OPEN YOUR ACCOUNT NOW

SAVE BY MAIL • AIR POSTAGE PAID BOTH WAYS

- Savings insured to $10,000
- Resources over $245 Million
- Reserves $22 Million, TWICE Federal requirements—
- Founded 1920 • Legal for Corporate or Trust Funds
- Funds postmarked by the 10th earn from the 1st
- Member Federal Home Loan Bank
- Member First Charter Financial Corp. with assets over $700 Million

MAIL CHECK OR REQUEST FINANCIAL STATEMENT

AMERICAN SAVINGS AND LOAN ASSOCIATION

SPECIAL MAIL DIVISION, DEPT. A8-1
210 E. PHILADELPHIA ST., WHITTIER, CALIF.

STOP WEIGHT LOSS!

with a ® HYDROSCALE your crane or hoist will weigh ANYTHING it can lift

THE EASIEST AND FASTEST METHOD FOR INDUSTRIAL WEIGHING

110 MODELS from 500 lb. to 200,000 lb. capacity

TYPICAL WEIGHING APPLICATIONS. Check weighing while loading or unloading, batching, foundry charging, inventory, production control, and protecting your equipment from overloading.

HYDROSCALES are guaranteed to be free of defects in workmanship and materials.

Write for Catalog
"world's largest manufacturer of crane scales"

HYDROWAY SCALES, INC.
31286 Stephenson Highway • Royal Oak, Mich.

continued from page 42

sive course in welding at its Felden House Training Centre.

The variety of goods that can be made to advantage in the U.K. is best pictured by visualizing the products of some of the widely differing U.S. corporations already manufacturing there: Oneida Cutlery, Berkshire Knitting Mills, Bausch & Lomb, Behr-Manning Corp. (industrial abrasives), Camco, Inc. (oil well equipment), Chemstrand Corp. (acrylic fibers), Hughes Tool Company (quarrying and mining equipment), Mission Manufacturing Company (oilfield pumping equipment). Makers of electronic and mechanized business equipment also have a large market in the Commonwealth, and some—including Burroughs, Addressograph-Multigraph, International Business Machines, and Remington-Rand—have already set up production facilities in the British Isles.

Going into foreign operations is a long-term project for the best companies, and success depends on foresighted planning. When Euclid Road Machinery Company located a suitable 65,000-square-foot building, erected by the Government, it made sure there was plenty of additional land around the site for future expansion. A Scotsman was hired as personnel supervisor, and by combining standard company policies with local customs and preferences, an outstandingly cooperative workforce has been built. Of the four Americans sent over as an original management team, three have since gone home.

Starting as a mere assembly operation, Euclid Great Britain Ltd. moved to an integrated manufacturing set-up which now makes a greater percentage of its finished product than does the parent company in Cleveland. Employment has increased 11 times, plant area has gone up 690 per cent, and a second factory has been started 100 miles away. It is a measure of the operation's success that when Euclid became a General Motors division in 1953, its British operation was left under the old management, rather than coming under GM's centralized overseas organization.

Euclid is not the only company to achieve more local self-sufficiency than originally expected. William M. Edwards, managing director of Camco, Ltd., reports: "Our Belfast factory is already making about 85 per cent of the many parts we need. The principal markets for our equipment are South America and southeast Asia. But as the company's sales efforts expand, we're selling more in Europe and Africa, too."

Companies that have come in response to the British Government's inducement programs pay about 35 to 40 cents per square foot for plant space in England, compared to an average cost of about 80 cents for non-subsidized industry. In Northern Ireland, the rate may run as low as 20 cents a square foot. Most recent additions to Britain's incentive plan are building grants and the promise that costs of moving and relocating machinery will be paid by the Government if a larger plant is needed.

"Low road" to profits

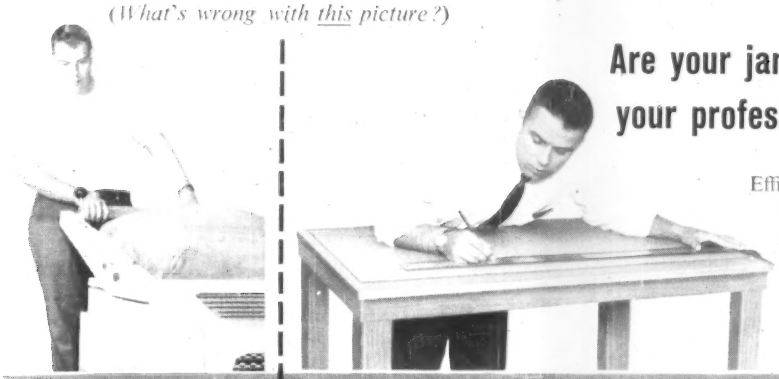
The results achieved by American companies in the U.K. vary. Some say their British plant could undersell the home factory by 25 per cent. Others say the U.S. plant is more efficient because of its bigger volume. But many speak of a profit rate at least several percentage points higher than the parent company earns in the U.S., and they may well be adopting the British habit of understatement. The average rate of return on all capital invested in manufacturing industries in the U.K. is 15 per cent before taxes, and most American companies there are in lines of above-average profitability.

Companies that are thinking about setting up operations in the U.K. can learn many basic details right here. There is now a British Industrial Development Office at 405 Lexington Avenue, New York, opened just to answer questions on the subject, help executives with preparations if they decide to go across for a first-hand look, and offer preliminary facts.

One unique feature of the British program to attract investment is the welcome the U.K. gives to all kind of companies. Most foreign nations make a distinction between "approved" or "essential" industries and others. The British don't. Whether a U.S. company plans to set up a manufacturing plant, license a British company to produce its goods, or merely appoint a distributor to import and sell products, it can count on a favorable reception by the British Government—and if the products are right and the plans well-laid, it can look to healthy profits from its British venture.

—CHARLES A. CERAMI

(What's wrong with this picture?)



Are your janitors better equipped than your professional engineer-draftsmen?

Efficient plant and office housekeeping calls for good equipment—and it justifies its high cost—but your skilled engineer-draftsmen need effective equipment, too—if they are to produce their best work.

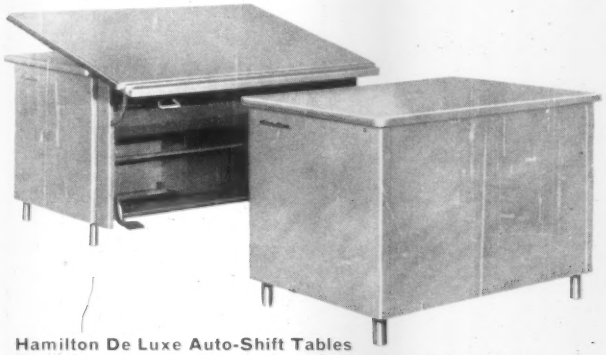
Your draftsmen, your productivity, deserve new Hamilton space-and-time-saving equipment—from Post

There is perhaps no more exacting work involved anywhere in your plants or offices than in your drafting department—demanding total accuracy, a high degree of skill, continuous application to details, and practical creativity.

This takes highly professional, carefully trained manpower—but they can't hit potential without proper equipment, can't maintain continuous efficiency and accuracy if they have to fight discomfort and fatigue.

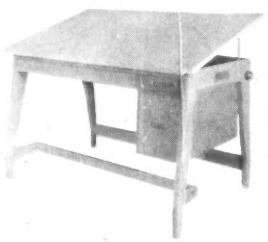
Hamilton drafting equipment is designed with *people* in mind, is anatomically engineered to deliver continuous comfort over long periods of time—from the first minute it goes into use through many, many years to come.

You or your supervisory personnel should investigate now the increased productivity achieved with Hamilton equipment—and get the *full* Hamilton story; the units pictured as well as the complete Hamilton line.

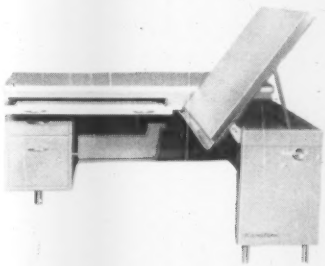


Hamilton De Luxe Auto-Shift Tables
Scientifically seasoned drawing surface; concealed mechanism controlling height and slope flexibility, can be moved with fingertip pressure; linoleum-covered reference surface. Many other functional features, combined with prestige styling. Front table, basic table, and rear reference desk—matched styling.

Hamilton CL 100 Series.
Entirely new, canted-leg styling assures stability without side crossrails. Strata-Core board, with green linoleum surface, both sides steel edged; tilts 0° to 40°. Fully adjustable recessed footrest; steel reference, tool, and catalog drawers. Other fine features, superb styling in light Sahara-Tan finish, satin-chrome hardware.



Hamilton L-Contour Table
Wide range of board adjustments permits frequent position changes—at finger touch—permitting greater flexibility of work arrangement, lessening fatigue. Telescoping legs adjust height 30" to 31". Generous storage facilities, durable linoleum reference surface. Beautiful utilitarian styling, maximum efficiency, constructed for long service.



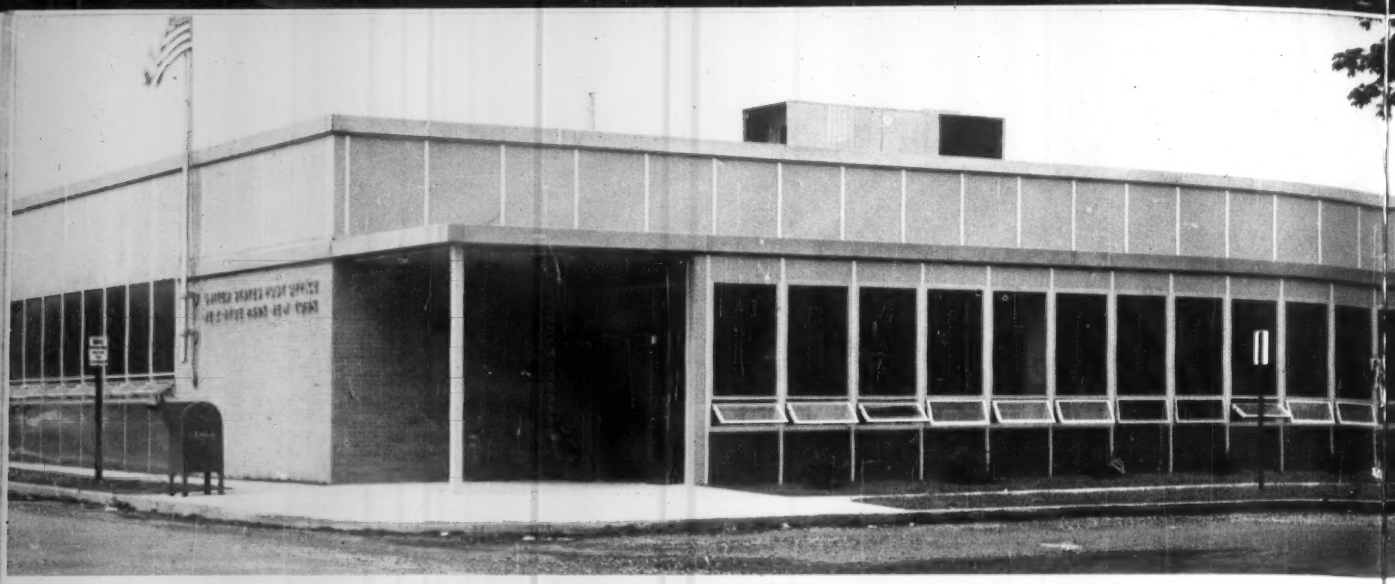
For practical, down-to-earth help in solving your drafting room modernization problems, consult trained POST salesmen and dealer representatives for recommendations tailored to your needs. Or, write Frederick Post Company, 3650 North Avondale Avenue, Chicago 18, Illinois, for information on the complete line of POST drafting materials and engineering supplies.

POST

FREDERICK POST COMPANY

Chicago 90 • Englewood, N. J. • Pittsburgh • Detroit
Milwaukee • Houston • Los Angeles • San Francisco
Dealers in all principal cities

SENSITIZED PAPERS, CLOTHS AND FILMS • REPRODUCTION MACHINES • TRACING AND DRAWING MEDIA • DRAWING INSTRUMENTS
SLIDE RULES AND SCALES • DRAFTING EQUIPMENT AND SUPPLIES • DRAFTING FURNITURE • FIELD EQUIPMENT



Consulting Engineer: Abraham Woolf & Associates, Boston, Mass. Contractor: Beacon Construction Company, Boston, Mass. Owner: Robert & Norman Leventhal, Boston, Mass.

Plan to build? Handsome AmBridge Modular Buildings

Take a good look at the many advantages of AmBridge Modular Construction before planning your next building.

AmBridge modular buildings go up fast. Less than five months after ground breaking, the new Hyde Park, L. I., Post Office was open for business. All components arrive at the job site precision fabricated and require only a handful of men for construction.

AmBridge modular buildings are efficient. Because steel panels are slim, more room is left for productive floor space. And well insulated panels keep noise low and fire resistance high.

AmBridge modular buildings save money. A breeze to maintain, tough-baked enamel interior partitions sparkle with an occasional wipe. Rugged vinyl surfaces can take almost any abuse without marring. Colorfast porcelainized exterior walls will continue to look fresh and new after years of service. And because steel construction is light, foundations, too, are lighter and less expensive.

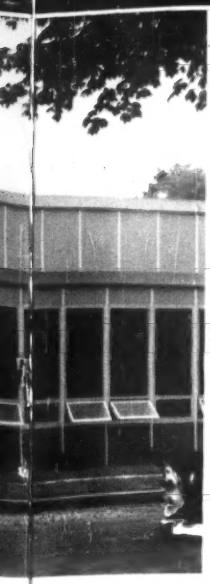
AmBridge modular buildings are versatile. The simplicity of modular construction makes these buildings ideal for most any commercial, light industrial, educational or institutional use. The 13,250 sq. ft. post office shown here is divided into 15 areas for box service, work rooms, and supervisory offices. It's as functional as it is attractive. And partitions of AmBridge Modular Buildings can be moved at any time with little bother or expense.

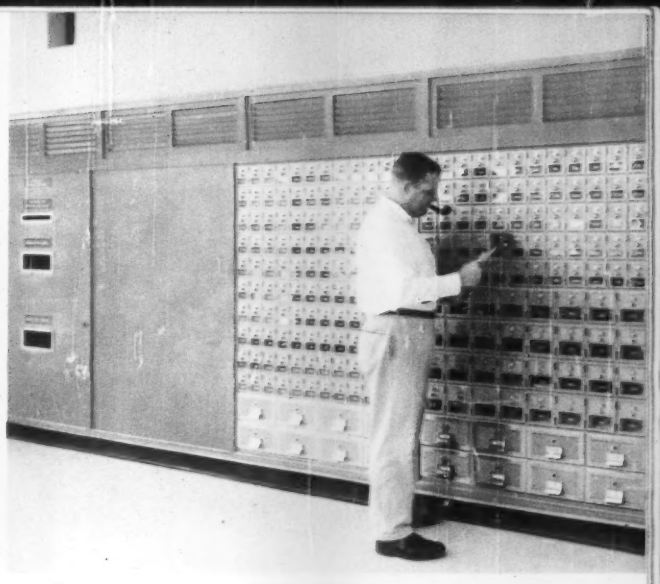
USS and AmBridge are registered trademarks

General Offices: 525 William Penn Place, Pittsburgh, Pa.
Contracting Offices in: Ambridge • Atlanta • Baltimore • Birmingham • Boston • Chicago • Cincinnati
Cleveland • Dallas • Denver • Detroit • Elmira • Gary • Harrisburg, Pa. • Houston • Los Angeles
Memphis • Minneapolis • New York • Orange, Texas • Philadelphia • Pittsburgh • Portland, Ore.
Roanoke • St. Louis • San Francisco • Trenton • United States Steel Export Company, New York

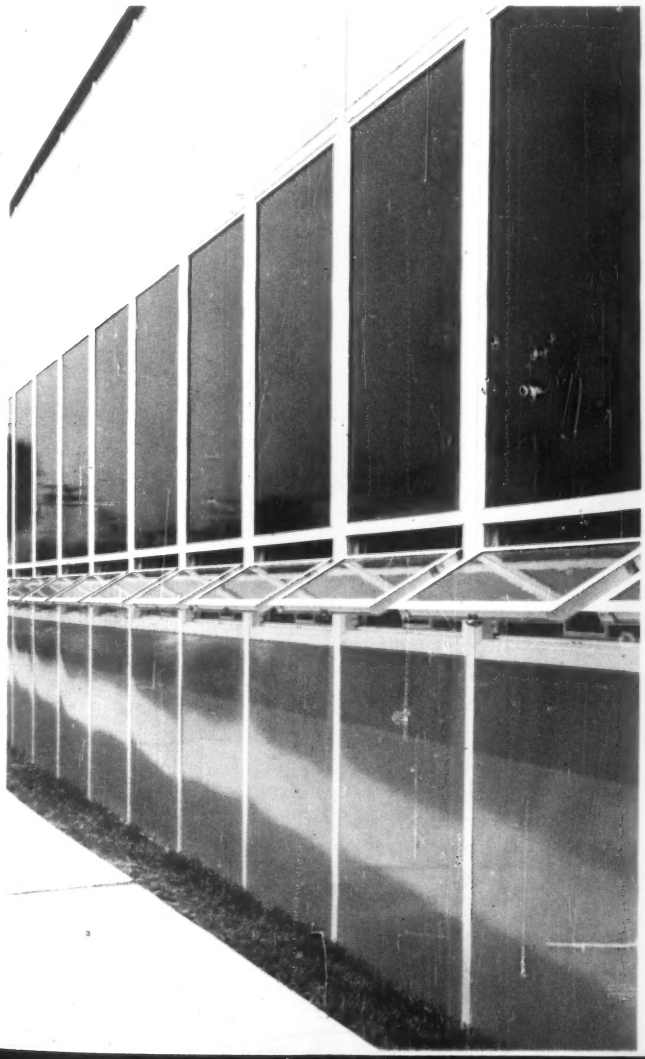
American Bridge Division of United States Steel

USS





are efficient, versatile, go up fast, save money.



PANELS AVAILABLE IN WIDE VARIETY

Structurally, they are available in:

Mechanical fastened frame with face sheets either side
Mechanical fastened pan-type panel insert supported by a grid system

Insulation and acoustical cores:

Fiber glass, non-combustible, vermin proof, K-factor of .26
Polyurethane foam, 2½# density p/cu.ft., K-factor of .13
Treated honeycomb fillers for flatness and lightness of panel

Exterior face sheets:

Stainless Steel (plain or textured)
Color-fast porcelain enamel (in 47 colors)
Ceramic coated sheets
Galvanized sheets

Interior face sheets:

Baked enamel steel sheets (28 colors)
Vinyl coated steel sheets (6 colors)
Stainless Steel (plain or textured)
Galvanized steel

This mark tells you a product is made of modern, dependable Steel.

AmBridge Modular Buildings blend with any surroundings, lend themselves well to modern architectural expression, and are supported by a strong structural steel framework.

American Bridge Division
United States Steel Corporation
525 William Penn Place
Pittsburgh 19, Pa.

Please send your "USS AmBridge Modular Building Components" booklet to:

Name_____

Company_____

Address_____

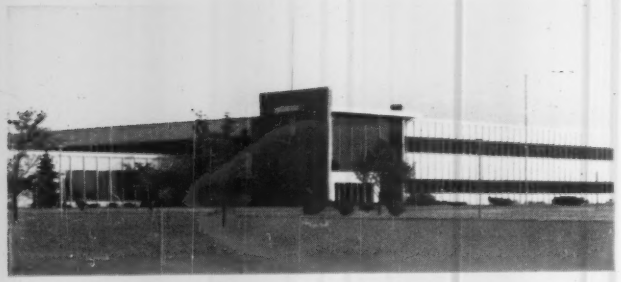
City_____ Zone_____

State_____

PHILCO 2000 . . THE COMPUTER THAT CHANGED THE INDUSTRY

Leading Defense and Business Organizations report:

Most Data Processing for their dollar



PHILCO COMPUTER CENTER . . . devoted exclusively to the development, engineering, production and marketing of Philco Computers

The Philco 2000 Data Processing System is now in use by many important organizations for business, scientific and military computation. All of these users report extremely low cost per unit of data processed . . . and that's the real measure of computer efficiency and economy. With the world's fastest overall system speed, the Philco 2000 is providing these users with *more data processing for their dollar* than is possible with any other system. Isn't that what *you're* looking for in a computer? A test run of one of your own toughest problems will prove that you'll get more for your money with a Philco 2000. We'll be glad to arrange such a test, without the slightest obligation.

PHILCO®

Famous for Quality the World Over

PHILCO CORPORATION • GOVERNMENT AND INDUSTRIAL GROUP • COMPUTER DIVISION • 3900 WELSH ROAD, WILLOW GROVE, PENNSYLVANIA

Managing Your Manpower

LAWRENCE STESSIN

» *Prediction for 1970: Just a thin trickle of workers in the vital 35-44 age group.*

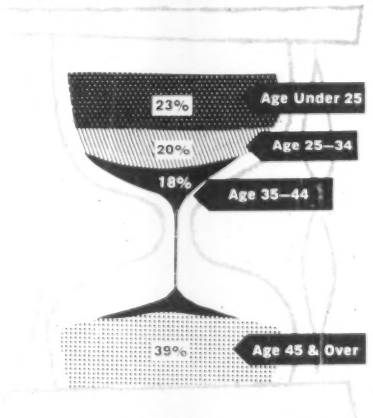
» *Company contributions: Deciding how much goes where becomes a full-time job.*

IT'S year-end and rosy optimists, as well as prophets of gloom and doom, are busy reading the palm of economic fortune for the period ahead. There is one segment of the business man's managerial future which can be predicted with dead certainty—the makeup of his workforce will undergo some startling changes. Why the coming alteration in the manpower picture? The answer is that the low birthrate of the 1930's has given a unique configuration to our population. It's shaping up like an hourglass figure—wide areas of increase at the top and the bottom, but thin in the middle.

Statistics tell an unmistakable story:

- Between 1960 and 1970, the labor force will increase from 73.5 million to 86.5 million workers. If this sounds like a manpower bonanza, with the employer free to pick and choose on the market, it gives the wrong impression. The quantity will be there, but the quality may be something else again.
- Nearly one out of every four members of this prodigious labor force will still be, occupationally, wet behind the ears. He'll be a youngster—under 25 years old, unseasoned, and for the most part, unschooled in the ways of business behavior. The impact of this youthful population explosion takes on added significance when set against the present situation. Today, only one out of every five workers is 25 or under. The bulk of the available manpower now stems from the middle-aged (35-44), experienced and dependable hands. The under-25 group which will be entering the labor market at a clip of 3 million a year will not be able to move into the productive columns without intensive and costly training. In other areas, too, the influx of the young 'uns will give a stiff challenge to personnel programming.
- The biggest manpower gap during the next ten years will be in the 35-44 age group. These workers are destined to become the prima donnas of the manpower market, since by 1970 they will comprise only 18 per cent of the workforce. They will be wooed by industry with competitive fervor, for traditionally the 35-44 group has been the most productive and offered the most potential managers.
- The biggest increase will be among older employees—45 and over. By 1970, 39 per cent of the manpower market will be made up of workers who, by present standards, are considered to be getting on in years and who when unemployed have rough sledding in getting on a payroll.
- The next ten years will also witness a nostalgic goodbye to the "man's world." By 1970, one out of every three workers will be a woman. And the executive who likes to grace his office with a pert young secretary may have to settle for a matronly 50-year-old—one out of three on-the-job females in 1970 will be over 45.

The Workforce—1970



Source: The Bureau of Labor Statistics, U.S. Dept. of Labor

What will these changes mean in the realignment of personnel practices, procedures, projections?

Greater turnover among young employees. Youths rarely stick to first jobs. They like to shop around. Better induction and orientation programming may help cut down their wanderlust, and longer probationary periods may give management a better chance to weed out the undesirables. Supplementing this, there will be more frequent merit rating, particularly during the first six months on a job, and stepped-up promotion schedules—young people want to move, and move fast. This will call for manpower planning of the highest order.

More middle-management supervisors from the two age extremes—young and old. The 60 or 65 retirement pattern may have to be revised upward, a trend which is already in evidence. Special incentives—bonuses, profit-sharing, stock options—may trickle down from top to middle executives, to keep them from snapping at competitive lures. Training in decision-making for younger men, who lack the feel and intuition born of experience, will play a large part in

executive development. Top management will be made up of younger people who have moved quickly up the promotion ladder because of the erosion of the middle-aged group. This will mean new ideas, more energy, less patience with stick-in-the-mud policies.

Women supervisors will be coming to the fore with the increase in female workers and the decline of the 35-44 male group. Fringes and benefit programs may have to undergo revisions, since women are not enchanted by pension plans—they never expect to work that long. They do like shorter hours so that they can go home to do their chores. Scholarships for employees' children will also help keep them put, and more loyal to the company.

Corporate Giving

Organization planners are wondering how to find the right niche in the company structure for a new kind of manager—the executive in charge of corporate giving. Industry contributes over $500 million a year to a myriad of causes—$132 million of it goes to U.S. universities and colleges alone.

With such sums at stake, corporate giving is no longer a petty-cash operation, and deciding who should receive the benefits of a company's largesse is a problem that takes time and study. As a result, over 100 companies already have a full-time staff directing where and how the contributions will flow.

The internal problem is: How do you title this new group of specialists, and to whom do they report? As a vehicle for their contributions, some companies have set up foundations administered by a Secretary or Executive Director. But for the most part, corporate giving remains within the traditional structure of the company. In some, such as General Electric, staff work for aid-to-education activities is under the direction of a vice-president of public relations. At Du Pont, corporate giving comes under the purview of the assistant to the president. No industry-wide "report to" pattern has developed, but the men who direct company funds to educational and charitable projects have already formed their own professional organization. Called the Council of Executives on Company Contributions, it provides an opportunity for interchange of techniques and ideas in a sensitive area.

Fringes, Long and Short

Who shells out the most money in fringe benefits? The oil industry. It pays out more than $1,300 a year per employee in extras. Running a close second are banks and finance and trust companies, with 70 cents per payroll hour in fringe costs. Insurance companies tote up 58 cents, and public utilities 63 cents an hour. Low industry on the fringe pole is the hotel business, with a mere 18-cent-an-hour overload.

Confident and Canny

Employee stock purchase plans don't seem to have lost their zing as a result of market gyrations. Companies report that when the market took a tumble in October, workers who had purchased company stocks were in no rush to sell. In fact, many saw the lower prices as a "good buy."

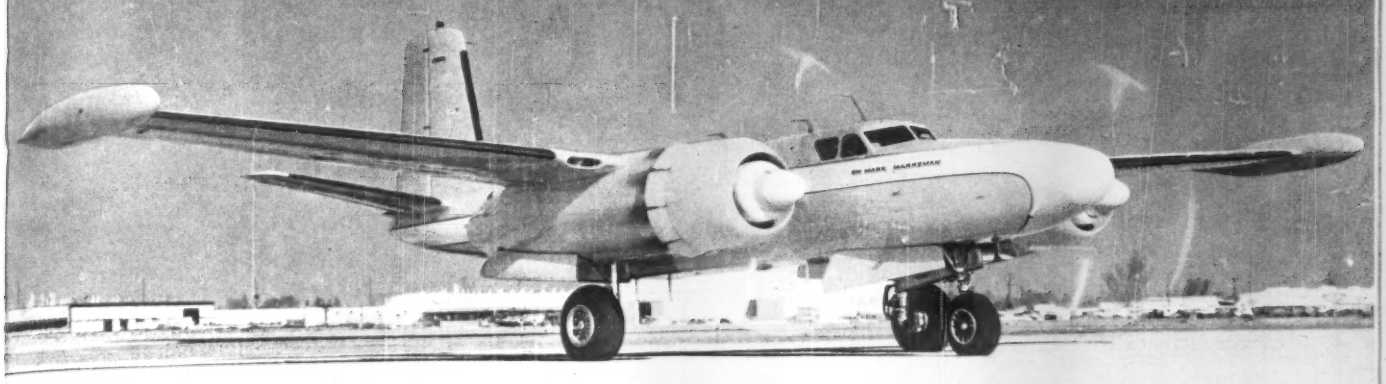
One company, Baxter Laborator-

For PEPSI-COLA... better offices by design with DORIC

newest office furniture by CORRY JAMESTOWN

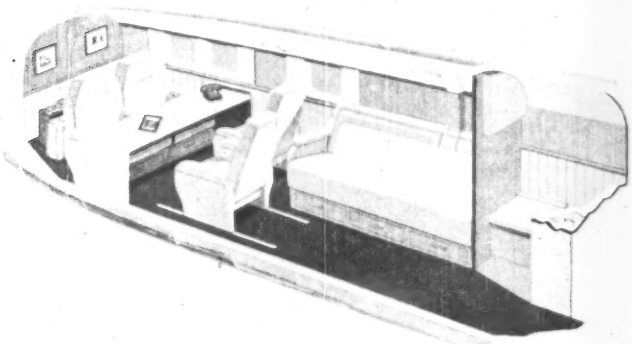
Consider the enduring quality of clean, contemporary styling in the exciting new DORIC line which graces the offices of Pepsi-Cola's new world headquarters in New York City. Then send for our colorful new DORIC catalog to discover how beautifully the graceful line of DORIC can be used to enhance the appearance and working utility of your own offices. For a free copy, write to: Corry Jamestown Corporation, Department D-12, Corry, Pennsylvania. *The American Institute of Decorators presented DORIC with a 1960 Award of Merit for design achievement.*

The new pressurized MARKSMAN



Performance that invites comparison—unmatched in the $300,000 range

ON MARK extends an invitation—certain that a trial flight will convince you that the new MARKSMAN challenges executive type airplanes priced from $600,000 to over a million. For the first time in the $300,000 range you can enjoy the comforts of a fully pressurized aircraft—in the MARKSMAN, the latest in ON MARK'S respected line of remanufactured Douglas B-26's. Experience the all-round performance which has given ON MARK corporate aircraft their great reputation—an optimum combination of safety, speed, range and all-weather reliability. Select your own interior configuration—only one of which is shown here. The MARKSMAN accommodates up to eight passengers with baggage, plus pilot and copilot... cruises from 325 to 365 mph, up to 25,000 feet. Range is 1200 to 2500 miles with normal reserves. At 20,000 feet your air conditioned cabin altitude will remain at a comfortable 7500 feet.



Many options are available to enhance this fine performance—including radar, anti-icing systems, a new all-metal rudder which lowers Vmc speeds. ON MARK will consider a trade on your present aircraft or arrange for leasing. Inquire about a demonstration flight in the MARKSMAN in your area... and ask for brochure and full details. Please address Robert O. Denny, President, ON MARK ENGINEERING COMPANY, 7929 Hayvenhurst Avenue, Van Nuys, California—Phone TRiangle 3-1030—Cable Address: ONMARK.

There is a fully pressurized MARKSMAN *at this range of figures:*

SPECIFICATIONS A $257,430.00*
SPECIFICATIONS B $314,745.00*
SPECIFICATIONS C $361,492.00*

...or a custom-built MARKSMAN *can be finished to your specifications at a price to be negotiated.*

*Prices do not include radio, electronics or sales taxes where applicable.

ON MARK *Engineering Company*

WORLD'S MOST EXPERIENCED CORPORATE AIRCRAFT DESIGNERS
AND ENGINEERS REMANUFACTURING DOUGLAS B-26 AIRPLANES

ON MARK ENGINEERING CO. IS LICENSED BY DOUGLAS AIRCRAFT COMPANY FOR MANUFACTURE AND SALE OF PARTS FOR DOUGLAS B-26 AIRPLANES. PARTS ARE ALWAYS AVAILABLE FOR THE MARKSMAN

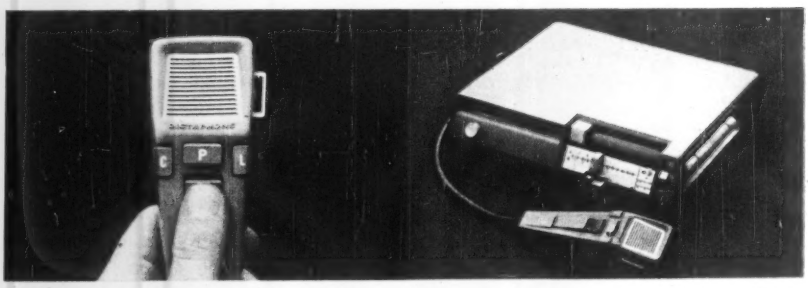
Dispose of your day's dictation. Cost: 4¢

A 4¢ Dictabelt records ten average letters . . . a day's dictation for most businessmen. Use it once, then load a new one. File used belts or throw them away. You dictate on a fresh, clean surface every time. Recording is always crystal-clear.

What a difference from invisible recording media that receive costly rehandling. You have to re-use them over and over to get your money's worth.

And because Dictabelts record *visibly*, uniform tone grooves appear as you talk —you find your place easily, play back in seconds. What you say is recorded permanently. You can't erase accidentally and lose valuable dictation.

Only one dictating machine system uses the unique red Dictabelt record. That's the Dictaphone TIME-MASTER, the system most widely used in business today.



Marks corrections electrically. When your tongue slips, or you want to re-phrase a thought, press a button on the mike. Then dictate the change and continue. The exact position is marked so your secretary can't miss it. Letter length is marked just as easily. All controls are on the microphone, right under your thumb.

Most automatic dictating machine. The TIME-MASTER helps you get more work done in less time . . . frees your secretary from a stenographer's notebook so she can be a real assistant. To find out how efficient a TIME-MASTER is, phone your nearest Dictaphone office for a free "show me" demonstration.

THE SHORTEST DISTANCE BETWEEN IDEA AND ACTION . . . **Dictaphone** CORPORATION

Dictaphone, Time-Master, Dictabelt, registered trademarks of Dictaphone Corp., 730 Third Ave., N. Y. 17, N. Y.; 204 Eglinton Ave. E., Toronto, Canada; 17-19 Stratford Pl., London W. 1, Eng.; 4 Adlerstrasse 4, Dusseldorf, Germany

ies, of Morton Grove, Ill., has introduced a retirement program based on stock purchases. Under its plan, company and workers contribute to a pension program, and the corporation's share is invested in Baxter stock. Workers' monies are used to purchase stocks and bonds on a diversified list.

Not by Bread Alone

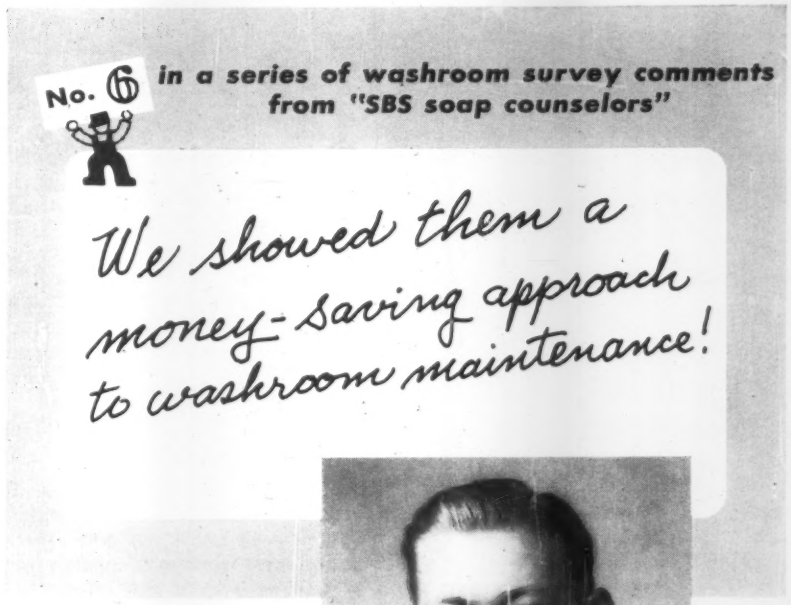
Any employees of New York's Shering Corp. who have a gourmet's taste can enjoy a new fringe benefit—epicurean meals. The company offers a free course which teaches how to make, say, *noisette de veau printanière*, topped off by *vacherin de pêche, Princesse*—and more men than women have signed up so far. The company cafeteria offers similar gastronomical delights.

By Way of Contrast

Decentralization, the darling of management, is a thorn in the side of unions. Within the next few months, the steelworkers' union, for one, will be facing a demand by rump locals for greater autonomy. They want the right to vote on strike calls, and to share in decisions involving assignment of staff personnel to regions. In addition, union proponents of decentralization are pushing to give local units the power to turn down any contracts made by the parent organization. Management men feel rather squeamish about all this. They know that there are about 90,000 union locals in this country—and the prospect of bargaining on such a fragmented basis is more than mildly disturbing.

Pushing for Protectionism

Union conventions during the coming year will have an extra "hot potato" on their agendas: tariffs. "We receive many appeals from our local lodges asking the international to adopt a position in favor of higher tariffs on this commodity or that," says A. J. Hayes, International President, International Association of Machinists. Traditionally, organized labor's position on foreign trade has been that low and reasonable tariffs at home are necessary to keep markets open for American goods abroad. But during the past year some unions have changed their minds as competition from abroad increased. END



in a series of washroom survey comments from "SBS soap counselors"

We showed them a money-saving approach to washroom maintenance!

James B. Workman,

SBS Soap Counselor on the Eastern Seaboard, has helped many plants update their clean-up practices. Here's his account of a survey at a leading wire and cable manufacturing plant:

"The condition of the washrooms was not up to their desired standards . . . even though maintenance costs were much higher than they should have been. The culprits responsible were easy to pinpoint: a scrub soap, disinfectant, scouring powder and bowl cleaner—all of them slow-acting, one-purpose agents multiplying labor costs. Maintenance was using all 4 off and on . . . and getting nowhere.

"We approached the problem by demonstrating how much quicker SBS 50 will *clean, disinfect, sanitize* and *deodorize* fixtures, walls and floors in just one operation. This opened their eyes to SBS 50's effective 4-way action which eliminates duplication of labor, cuts housekeeping costs and creates a hygienic atmosphere employees respect and live up to."

Money-saving suggestions like this *begin* with OPERATION PINPOINT–a thought-provoking presentation filled with facts about skin hygiene and washroom maintenance. The SBS soap counselor serving your area can pinpoint the right soap to do every skin cleansing job best and at lowest cost in your plant. Let him show you OPERATION PINPOINT . . . just call your nearest SBS office, collect.

the washword of industry

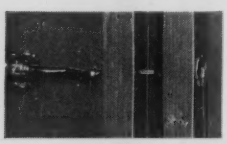
sugar beet products co.

SAGINAW, MICH. • Los Angeles, Calif. • Newark, N.J.
CANADA: Chemical By-Products, Ltd., Toronto, Ontario

H-O-N PARTITIONS do it at lower cost to buy and to erect

You realize the need and the benefit of proper space utilization. Have you deferred this improvement because of high cost? Because you don't have a big budget? Because of an extended and noisy installation time?

H-O-N PARTITIONS can overcome these barriers for you. These partitions are available as low as ½ the cost of others; as low as do-it-yourself methods. No major construction operation is necessary for an H-O-N PARTITION installation. These units are usually installed by a handy man with a screw driver.



BOLT AND T-NUT

So why not enjoy the benefits of partitioning now? Start with a request to us for details on color, sizes, prices and planning help. The H-O-N Co., Muscatine, Iowa.

14 Important Ratios in 36 Manufacturing Lines

Prepared under the direction of Roy A. Foulke

SINCE aggregate dollar earnings after taxes for manufacturers were at an all-time peak in 1959, it is not surprising to find improvement in median profits to sales margins in most of the 36 industries on which the "14 Important Ratios" were compiled. Particularly noteworthy gains were reflected among breweries, foundries, and manufacturers of bolts, nuts, screws and nails, furniture, hosiery and metal stampings.

At the same time, the median for net profits on net sales did decline in ten of the 36 manufacturing lines studied. The ratio continued below 2 per cent in thirteen industries, and was less than 1 per cent for manufacturers of women's coats and suits, converters of cotton goods (non-factored), and manufacturers of rayon, silk, and acetate dresses, and knitted outerwear.

The median for net profits on tangible net worth continued below 10 per cent in 30 of the 36 industries, and remained above 10 per cent in the remaining six: industrial chemicals, electrical parts and supplies, drugs, airplane parts, and accessories, and bolts, screws, nuts, and nails. The median fell below 5 per cent among cotton cloth mills, manufacturers of rayon, silk, and acetate dresses, knitted outerwear, structural steel fabricators, and machine shops.

The pinch of competition

These relatively low showings for profit margins in the median ranges represent a continuation of a downhill trend which has been in evidence since the middle of the 1950's. They offer vivid testimony to the constantly increasing tempo and intensity of the across-the-board competition, to which no industry appears immune. Even those with higher than average margins can testify to this: drug manufacturers, for example. For the year 1959, the median for net profits on net sales for drug manufacturers was 6.62 per cent, compared with 10.53 per cent for the year 1958, while the median for net profits on tangible net worth fell to 12.93 per cent from 17.09 per cent in 1958.

The figures for 1959 also re-emphasize the importance to the economy of those concerns whose profit making capacities are exceptional, as indicated by upper quartile performance. For the 36 manufacturing lines studied in 1959, profits-to-worth percentages in the upper quartile range exceeded 10 per cent in 28 industries, and were above 15 per cent in eight.

One of the brighter aspects of the 1959 ratio studies was the improvement reflected in average collection periods. Generally, during recent years of "tight money," retailers and wholesalers have tended to look to manufacturers for longer terms, and collection periods have tended to lengthen more and more from year to year. For 1959, however, the median average collection period was shortened in eighteen lines, while growing longer in thirteen and reflecting no change in three others (collection periods are not compiled for building construction or electrical contractors).

Generally, inventory and debt-to-worth relationships remained favorable, and there were few instances of imbalance. Current and total debts tended to be high here and there in some of the soft goods industries, notably men's shirts, underwear and pajamas, cotton goods converters, and men's and boys' coats and suits.

—RICHARD SANZO

Line of Business (and Number of Concerns)	Current assets to current debt	Net profits on net sales	Net profits on tangible net worth	Net profits on net working capital	Net sales to tangible net worth	Net sales to net working capital	Collection period	Net sales to inventory	Fixed assets to tangible net worth	Current debt to tangible net worth	Total debt to tangible net worth	Inventory to net working capital	Current debt to inventory	Funded debts to net working capital
	Times	Per cent	Per cent	Per cent	Times	Times	Days	Times	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
FOR 36 MANUFACTURING LINES—1959 MEDIANS AND QUARTILES														
Airplane Parts and Accessories (42)	3.49	4.59	12.24	24.28	4.30	7.72	34	7.4	30.3	22.6	47.2	55.3	68.2	12.7
	2.14	**2.65**	**7.60**	**12.73**	**3.23**	**4.98**	**56**	**4.9**	**40.6**	**59.7**	**68.0**	**84.8**	**88.3**	**23.2**
	1.47	1.09	4.25	6.30	2.11	3.57	61	3.3	55.7	118.9	138.0	157.5	137.0	47.4
Automobile Parts and Accessories (74)	3.62	5.88	15.21	25.89	3.66	7.40	33	7.8	24.6	22.8	31.7	55.1	58.2	8.6
	2.69	**3.23**	**8.50**	**14.14**	**2.59**	**4.65**	**42**	**6.4**	**36.8**	**32.8**	**56.3**	**82.7**	**94.7**	**35.0**
	1.88	1.63	4.54	7.52	2.22	3.35	49	4.1	56.4	69.2	105.6	127.8	127.2	59.7
Bedsprings and Mattresses (62)	6.32	3.24	8.87	13.36	5.53	7.75	26	10.0	15.1	14.6	33.3	46.2	45.4	8.8
	3.50	**1.74**	**5.39**	8.37	2.76	**6.29**	**35**	**8.1**	**22.8**	**23.3**	**62.2**	**68.4**	**63.0**	**23.9**
	2.01	0.17	1.25	2.44	2.36	4.73	48	6.0	40.9	54.4	89.5	90.9	108.3	39.1
Bolts, Screws, Nuts and Nails (56)	4.04	6.19	16.69	27.13	4.42	8.86	25	9.7	37.5	19.7	33.2	61.8	48.0	13.6
	2.96	**3.48**	**10.91**	**18.22**	**2.52**	**4.62**	**31**	**6.3**	**56.4**	**29.2**	**52.2**	**83.4**	**76.8**	**35.7**
	1.82	1.78	3.46	11.22	1.77	3.28	37	5.0	73.1	51.8	85.5	110.2	130.2	64.0
Brewers (34)	3.22	4.89	14.52	42.93	3.00	9.77	12	21.7	61.1	13.6	35.5	38.6	97.8	34.5
	2.34	**3.63**	**7.78**	**28.00**	**2.35**	**8.62**	**18**	**16.7**	**77.0**	**23.3**	**48.1**	**53.2**	**128.6**	**65.6**
	1.54	0.08†	0.05†	0.78	1.92	6.49	24	11.4	104.7	38.5	92.6	80.6	207.2	190.8
Chemicals, Industrial (67)	3.79	6.91	15.96	40.04	3.25	7.36	32	9.7	32.2	19.6	49.8	44.2	72.0	31.9
	2.66	**4.54**	**11.07**	22.10	**2.29**	**4.26**	**40**	7.1	**58.0**	**29.3**	**65.2**	**61.5**	**91.9**	**54.4**
	1.86	3.04	5.91	10.94	1.58	2.72	46	4.9	76.3	54.2	109.7	93.3	135.9	98.2
Coats and Suits, Men's and Boys' (190)	3.49	1.91	9.20	11.15	6.80	7.53	27	6.5	2.5	35.2	68.2	55.9	65.1	6.3
	2.15	**1.05**	**5.06**	**6.07**	**4.86**	**5.13**	**48**	**5.2**	**6.6**	**71.9**	**134.4**	**84.2**	**93.0**	**16.3**
	1.67	0.58	2.84	3.02	2.71	3.04	77	4.3	15.8	73.1	206.1	128.1	133.4	48.0
Coats and Suits, Women's (85)	2.79	1.87	14.40	15.98	12.30	13.53	31	16.4	3.6	49.8	84.1	57.9	91.2	10.8
	1.83	**0.69**	**6.65**	**8.20**	**6.50**	**9.23**	**45**	**9.5**	**7.4**	**93.7**	**141.2**	**88.3**	**132.3**	**29.9**
	1.47	0.22	3.00	3.68	5.04	6.22	52	5.0	15.3	158.0	196.7	123.1	220.5	56.9
Confectionery (41)	3.83	3.60	10.81	22.60	4.61	10.61	12	18.1	28.8	19.7	36.2	48.6	52.6	13.5
	2.97	**1.93**	**6.54**	**11.45**	**2.83**	**6.45**	**19**	**8.5**	**43.2**	**30.2**	**42.8**	**77.0**	**74.8**	**35.7**
	2.25	0.75	2.53	3.72	2.19	4.71	38	6.5	56.2	37.6	61.6	98.9	124.1	58.3
Contractors, Building Construction (159)	2.77	3.24	13.42	21.36	8.64	14.40	*	*	8.8	34.8	53.0	*	*	9.9
	1.81	**1.33**	**7.66**	**12.45**	**5.85**	**8.49**	*	*	**20.4**	**75.7**	**120.0**	*	*	**21.8**
	1.35	0.33	3.27	4.13	2.70	6.03	*	*	35.1	165.4	220.2	*	*	49.5
Contractors, Electrical (49)	4.03	2.72	12.22	22.76	8.26	11.88	*	*	7.0	25.8	85.9	*	*	2.5
	2.42	**1.17**	**5.88**	**10.44**	**4.31**	**5.61**	*	*	**15.0**	**48.0**	**114.1**	*	*	**20.1**
	1.67	0.32†	1.72†	1.32†	2.46	3.14	*	*	30.4	95.5	157.2	*	*	70.8
Cotton Cloth Mills (49)	6.44	3.77	7.55	17.55	2.59	5.69	14	7.3	34.7	9.7	20.1	47.9	28.2	15.5
	4.09	**2.72**	**4.79**	**10.03**	**2.08**	**3.91**	**35**	**5.5**	**48.1**	**17.0**	**45.6**	**60.6**	**42.9**	**27.8**
	2.90	1.56	3.84	7.48	1.55	2.41	47	4.4	61.6	31.3	92.6	77.0	78.0	51.9
Cotton Goods, Converters, Non-Factored (40)	4.71	1.11	7.07	8.64	12.67	13.74	29	11.3	0.4	24.7	71.6	64.9	54.7	8.8
	2.08	**0.94**	**5.88**	**5.45**	**6.38**	**6.55**	**37**	**7.1**	**1.3**	**78.0**	**108.3**	**86.8**	**108.9**	**24.5**
	1.70	0.46	2.96	3.05	0.78	0.86	83	1.7	5.3	129.1	524.4	113.3	155.8	96.4
Dresses, Rayon, Silk, and Acetate (84)	2.32	1.81	14.49	21.36	14.54	19.64	21	18.1	4.9	58.2	40.4	40.3	118.5	6.3
	1.81	**0.36**	**4.26**	**7.01**	**8.48**	**11.50**	**28**	**14.0**	**9.2**	**92.3**	**97.3**	**86.7**	**167.9**	**23.6**
	1.40	0.10	1.02	1.56	6.31	8.18	39	8.8	14.4	175.3	151.4	135.4	238.0	42.3
Drugs (42)	4.67	12.51	20.57	37.59	2.60	4.51	37	8.9	18.9	19.1	37.1	42.3	50.4	8.4
	3.52	**6.62**	**12.93**	**17.43**	**1.99**	**3.11**	**44**	**6.0**	**34.1**	**26.8**	**55.9**	**55.6**	**78.1**	**19.5**
	2.42	4.60	9.24	13.23	1.30	2.08	61	4.3	48.5	37.7	70.3	75.7	127.9	53.9
Electrical Parts and Supplies (94)	3.74	6.60	18.06	29.45	3.85	6.34	33	7.4	20.7	24.1	41.1	57.2	52.1	14.9
	2.76	**3.64**	**10.96**	**16.03**	**2.89**	**4.44**	**46**	**4.8**	**40.0**	**38.2**	**68.3**	**83.4**	**73.9**	**31.6**
	1.65	2.19	6.37	8.08	2.14	3.25	57	3.9	57.7	73.9	122.9	118.4	127.2	55.0
Foundries (105)	4.39	4.03	11.04	19.95	3.25	6.94	30	13.9	33.6	16.4	34.0	32.6	62.5	11.8
	3.19	**3.15**	**6.97**	**13.88**	**2.28**	**4.33**	**38**	**8.6**	**47.2**	**25.1**	**56.5**	**50.4**	**100.3**	**29.6**
	2.09	1.64	4.19	8.36	1.79	3.20	45	5.7	65.2	38.3	97.6	78.8	162.6	86.9
Furniture (139)	4.59	5.23	17.45	28.24	4.20	7.57	32	8.2	17.3	18.1	38.7	49.8	49.7	8.8
	2.82	**3.12**	**8.94**	**15.34**	**3.05**	**5.34**	**41**	**6.3**	**33.8**	**33.6**	**66.8**	**79.3**	**67.9**	**22.7**
	1.97	1.15	3.48	5.30	2.46	3.88	51	4.3	53.2	66.7	107.8	116.4	103.0	47.2
Hardware and Tools (98)	5.00	5.66	14.57	23.06	3.49	6.33	34	6.6	23.8	18.1	30.2	52.9	42.7	11.1
	3.35	**3.71**	**7.84**	**12.90**	**2.53**	**4.05**	**40**	**4.7**	**33.6**	**28.2**	**44.6**	**77.4**	**55.4**	**26.8**
	2.57	1.80	4.87	9.09	1.77	3.01	45	3.3	51.4	42.7	69.4	98.9	81.8	38.9
Hosiery (74)	5.67	4.52	8.59	16.94	3.43	6.71	25	10.1	29.8	11.9	28.8	50.9	37.1	10.5
	3.12	**2.83**	**5.93**	**11.25**	**2.09**	**4.09**	**38**	**5.4**	**42.5**	**23.0**	**53.4**	**76.5**	**56.9**	**52.3**
	2.00	0.61	1.63	4.65	1.47	2.81	46	4.2	62.0	42.1	115.3	117.8	103.6	82.5
Lumber (74)	5.88	8.80	11.52	27.23	3.16	6.15	28	8.2	24.0	11.2	35.9	41.6	40.5	25.1
	3.04	**4.00**	**8.87**	**15.85**	**1.72**	**3.14**	**36**	**5.2**	**44.7**	**20.6**	**59.7**	**75.8**	**70.0**	**62.8**
	1.91	2.20	5.14	7.56	0.92	1.98	45	3.8	61.0	38.3	90.0	102.3	103.2	171.4
Machine Shops (143)	5.16	4.42	9.84	22.55	2.95	8.03	34	16.6	33.1	13.9	32.0	37.6	47.6	22.9
	2.76	**2.07**	**3.82**	**8.83**	**1.84**	**4.71**	**43**	**7.1**	**51.8**	**31.4**	**60.4**	**66.2**	**89.0**	**42.1**
	1.75	0.23	0.37	0.73	1.40	2.53	55	4.1	70.2	50.6	88.7	95.0	206.8	71.1
Machinery, Industrial (439)	4.65	5.79	11.74	17.95	3.08	4.55	39	6.4	21.7	18.5	35.1	51.9	45.0	12.7
	3.34	**3.43**	**7.49**	**11.39**	**2.06**	**3.11**	**52**	**4.3**	**32.3**	**29.5**	**54.9**	**71.4**	**68.8**	**26.2**
	2.31	1.31	3.26	4.37	1.61	2.39	65	3.2	44.0	49.0	81.9	93.0	102.6	39.4

Notes: *Building and construction contractors, and electrical contractors have no inventories in the credit sense of the term. Building and construction contractors only carry materials such as lumber, bricks, tile, cement, structural steel, and building equipment to complete particular jobs on which they are working. Electrical contractors carry electrical equipment and supplies to complete particular jobs on which they are working. Concerns operating in these lines generally have no customary selling terms, each contract being a special job for which individual terms are arranged.

Line of Business (and Number of Concerns)	Current assets to current debt	Net profits on net sales	Net profits on tangible net worth	Net profits on net working capital	Net sales to tangible net worth	Net sales to net working capital	Collection period	Net sales to inventory	Fixed assets to tangible net worth	Current debt to tangible net worth	Total debt to tangible net worth	Inventory to net working capital	Current debt to inventory	Funded debts to net working capital
	Times	Per cent	Per cent	Per cent	Times	Times	Days	Times	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Meats and Provisions, Packers (69)	3.28	2.54	13.21	39.74	9.65	34.15	9	38.7	42.2	20.8	44.5	46.6	71.9	34.9
	2.34	**1.18**	**8.10**	**22.24**	**6.76**	**17.52**	**12**	**28.2**	**60.4**	**34.2**	**73.7**	**68.0**	**126.9**	**60.5**
	1.70	0.75	5.14	12.67	5.52	11.53	15	18.4	76.3	59.1	108.7	105.4	194.1	121.0
Metal Stampings (107)	4.38	5.20	11.17	24.04	3.82	6.92	22	9.7	28.0	18.8	40.9	43.8	57.6	14.4
	2.97	**3.15**	**7.78**	**15.72**	**2.40**	**4.16**	**33**	**6.2**	**40.3**	**27.7**	**66.5**	**67.3**	**87.5**	**31.4**
	2.02	0.77	1.84	9.98	1.86	2.80	45	4.7	60.5	49.3	98.3	100.5	123.0	65.5
Outerwear, Knitted (72)	3.64	2.10	10.61	30.06	6.97	15.09	14	15.6	3.6	27.9	48.8	45.2	62.3	7.8
	2.24	**0.97**	**4.52**	**5.02**	**5.16**	**7.88**	**20**	**8.5**	**17.7**	**56.8**	**76.4**	**80.2**	**96.4**	**20.4**
	1.62	0.13	0.69	1.20	3.60	5.41	46	5.3	30.2	100.8	122.8	134.9	139.2	43.5
Overalls and Work Clothing (58)	4.66	2.80	9.71	13.48	5.42	9.24	23	5.8	7.9	24.7	54.0	65.4	37.8	15.2
	3.05	**1.78**	**5.79**	**7.82**	**3.71**	**4.26**	**30**	**4.7**	**14.8**	**39.0**	**92.6**	**87.6**	**56.3**	**23.6**
	1.99	0.60	2.51	3.27	2.71	2.98	45	3.7	27.2	69.5	130.6	112.2	85.0	37.9
Paints, Varnishes and Lacquers (135)	5.60	5.32	16.17	31.81	4.44	7.30	23	8.6	21.7	17.0	33.9	48.6	48.2	5.3
	2.95	**3.59**	**9.91**	**15.50**	**2.69**	**4.95**	**36**	**6.1**	**31.8**	**29.6**	**43.9**	**67.1**	**80.3**	**17.6**
	2.14	1.11	3.95	7.28	2.20	3.87	49	4.9	46.8	45.9	94.6	90.6	107.7	31.6
Paper (63)	3.55	8.30	12.15	34.98	1.88	6.07	24	8.5	55.4	15.5	28.9	44.1	57.8	34.4
	2.66	**6.36**	**8.45**	**26.21**	**1.56**	**4.96**	**30**	**6.8**	**72.2**	**18.4**	**41.1**	**68.9**	**80.9**	**65.7**
	2.18	4.24	6.59	19.18	1.17	3.29	36	6.0	89.1	24.1	57.5	87.9	108.6	106.9
Paper Boxes (63)	4.55	5.09	12.37	38.42	4.25	8.14	22	10.2	37.9	12.4	39.7	37.3	55.8	22.8
	3.14	**3.54**	**8.09**	**21.76**	**2.35**	**6.40**	**28**	**9.3**	**50.6**	**21.7**	**60.7**	**65.6**	**83.1**	**56.2**
	2.07	1.59	5.95	12.67	1.89	3.13	32	7.4	76.1	38.9	92.2	89.2	135.1	126.0
Petroleum, Integrated Corporations (35)	3.00	9.52	11.62	51.34	1.77	7.24	37	10.0	73.5	16.1	29.6	53.0	95.6	38.5
	2.46	**7.14**	**8.96**	**37.06**	**1.17**	**5.50**	**41**	**9.0**	**89.6**	**19.9**	**50.2**	**63.9**	**123.6**	**78.7**
	1.75	4.53	6.86	19.73	1.04	3.89	50	7.0	105.0	27.4	76.1	79.7	158.5	204.8
Printers, Job (65)	3.62	4.54	12.26	40.64	4.44	13.96	32	**	44.3	20.9	33.9	**	**	19.0
	2.27	**2.53**	**7.67**	**19.23**	**2.54**	**7.91**	**39**	**	**59.5**	**29.4**	**62.8**	**	**	**57.4**
	1.70	0.85	3.77	10.31	2.19	5.29	47	**	76.7	50.3	87.4	**	**	83.2
Shirts, Underwear and Pajamas, Men's (54)	2.71	3.35	21.06	29.65	7.42	9.73	35	10.9	3.1	45.6	37.7	77.0	59.0	2.5
	2.02	**1.48**	**7.70**	**9.96**	**5.46**	**7.12**	**47**	**5.4**	**5.2**	**84.2**	**113.5**	**111.1**	**88.3**	**11.4**
	1.54	0.47	3.36	3.90	3.41	3.71	66	4.2	15.9	140.3	134.3	158.9	127.3	31.9
Shoes, Men's, Women's, and Children's (111)	3.28	3.71	12.60	16.09	4.57	5.90	37	7.8	10.5	37.4	63.4	63.0	57.4	11.4
	2.36	**2.14**	**8.40**	**9.93**	**3.60**	**3.93**	**54**	**5.1**	**18.5**	**59.1**	**84.9**	**91.1**	**83.8**	**21.6**
	1.64	1.37	5.60	6.63	2.87	3.03	68	3.6	29.1	116.9	136.9	147.8	147.7	38.1
Steel, Structural Fabricators (Sell on Short Terms) (94)	5.70	3.90	9.41	12.37	4.13	6.48	32	7.9	21.1	15.5	14.5	42.9	39.7	15.2
	3.60	**1.63**	**4.82**	**8.47**	**2.72**	**5.02**	**48**	**5.7**	**33.7**	**24.7**	**25.9**	**64.5**	**68.6**	**33.0**
	2.11	0.37†	0.81†	2.12†	2.19	3.06	67	4.6	43.0	54.5	58.2	90.1	103.4	45.4
Stoves, Ranges, and Ovens (52)	4.92	4.71	13.33	20.00	4.12	6.50	37	7.4	16.5	18.2	34.3	47.9	42.1	13.6
	3.58	**2.68**	**7.67**	**10.01**	**2.89**	**4.64**	**50**	**5.7**	**31.6**	**30.0**	**67.7**	**68.4**	**65.0**	**22.9**
	2.27	1.28	2.10	2.90	2.07	2.91	71	4.3	41.6	51.3	88.4	94.0	93.1	36.1

†loss. **Job printers have no inventories in the credit sense of the term. They only carry current supplies such as paper, ink, binding materials, and lead for type-casting.

Definitions of Terms

The Ratios—The data used are based upon a representative sampling with a tangible net worth which only occasionally is below $75,000. . . . The center figure for each of the 36 lines is the median. The other two figures in each line are quartiles; for each ratio they indicate the upper and lower limits of the experiences of that half of the concerns whose ratios are nearest to the median.

Collection Period—The number of days that the total of trade accounts and notes receivable (including assigned accounts and discounted notes, if any), less reserves for bad debts, represents when compared with the annual net credit sales. Formula—divide the annual net credit sales by 365 days to obtain the average credit sales per day. Then divide the total of accounts and notes receivable (plus any discounted notes receivable) by the average credit sales per day to obtain the average collection period.

Current Assets—Total of cash, accounts and notes receivable for the sales of merchandise in regular trade quarters less any reserves for bad debts, advances on merchandise, inventory less any reserves, listed securities when not in excess of market, state and municipal bonds not in excess of market, and United States Government securities.

Current Debt—Total of all liabilities due within one year from statement date, including current payments on serial notes, mortgages, debentures, or other funded debts. This item also includes current reserves such as gross reserves for Federal income and excess profit taxes, reserves for contingencies set up for specific purposes, but does not include reserves for depreciation.

Fixed Assets—The sum of the cost value of land and the depreciated book values of buildings, leasehold improvements, fixtures, furniture, machinery, tools, and equipment.

Funded Debt—Mortgages, bonds, debentures, gold notes, serial notes, or other obligations with maturity of more than one year from the statement date.

Inventory—The sum of raw material, material in process, and finished merchandise. It does not include supplies.

Net Profits—Profit after full depreciation on buildings, machinery, equipment, furniture, and other assets of a fixed nature; after reserves for Federal income and excess profit taxes; after reduction in the value of inventory to cost or market, whichever is lower, after charge-offs for bad debts; after miscellaneous reserves and adjustments; but before dividends or withdrawals.

Net Sales—The dollar volume of business transacted for 365 days net after deductions for returns, allowances, and discounts from gross sales.

Net Sales to Inventory—The quotient obtained by dividing the annual net sales by the statement inventory. This quotient does not represent the actual physical turnover, which would be determined by reducing the annual net sales to the cost of goods sold and then dividing the resulting figure by the statement inventory.

Net Working Capital—The excess of the current assets over the current debt.

Tangible Net Worth—The sum of all outstanding preferred or preference stocks (if any) and outstanding common stocks, surplus, and undivided profits, less any intangible items in the assets, such as goodwill, trademarks, patents, copyrights, leaseholds, mailing list, treasury stock, organization expenses, and underwriting discounts and expenses.

Turnover of Tangible Net Worth—The quotient obtained by dividing annual net sales by tangible net worth.

Turnover of Net Working Capital—The quotient obtained by dividing annual net sales by net working capital.

Beauty with "brains" in new clutter-proof desk

THE NEW Shaw-Walker Skyline Desk has an ingenious arrangement of six *clutter-proof** drawers that really helps the office worker do more—easier . . . Makes an amazing improvement in neatness and efficiency.

Your Shaw-Walkerman can show you how Skyline furniture will bring both new beauty and greater work accomplishment to *your office*. You will find him listed in the phone book. Or, write for our colorful new brochure, "Skyline Clutter-Proof® Desks."

SHAW-WALKER

Largest Exclusive Makers of Office Equipment
Muskegon 78, Mich. Representatives Everywhere

***THE SIX CLUTTER-PROOF DRAWERS ORGANIZE ALL WORK AND WORKING TOOLS**

(1) Four in-drawer letter trays. (2) Four in-drawer pockets for forms and pads. (3) Six compartments for pencils, rulers, etc. (4) Two in-drawer cross-files, letter size. (5) In-drawer wastebasket. (6) Compartments for card lists, telephone, etc.

Three good customers, a supplier, and an anxious wife tried to reach this man in vain while he used his telephone for the inside call pictured above.

When a company relies on the telephone for both outside AND INSIDE communication, key people cannot be reached 1/4 to 1/3 of the time.

This is costly!

Add a separate inside communications channel...an Executone Intercom and Sound System...and key people can always be reached. Immediately, you receive at least six benefits:

1. END TELEPHONE TIE-UP: In most organizations, ¼ of the telephones are "busy" from 10:30 a.m. to 12:30 p.m. and 1:30 p.m. to 4:30 p.m. Key people cannot be reached. Customers, prospects, suppliers are delayed, frustrated. Insiders too. Executone recognizes that inside communication is so vital it requires a separate, private, courteous channel. This ends frustration, confusion, losses caused by the one-instrument, one-channel method. Lets outside calls come through.

2. LOCATE EXECUTIVES: In addition, from ¼ to ½ of key people are "away from their desk" during busy hours. Not available. With courteous, modulated Executone paging, important messages reach them. They're always available for the important jobs!

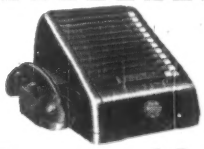
3. IMPROVE CUSTOMER SERVICE: With Executone installed, the customer can usually reach the man he telephones. Then, no need to hang up on him or put him on a "dead" line to get the information he wants. Just call Shipping, Accoun oduction Control on the inside channel. There's wer!

4. KEEP WORKERS WORKING: When a worker needs material, tools, advice, he doesn't wait. He reports in by Executone. Gets what he needs. Back to work.

5. SPEED ANNOUNCEMENTS: The Executone System is flexible. Use it for background music, time signals, fire warnings, plant protection, important announcements. Great aid to management.

6. GET QUICK, ACCURATE TIME AND COST DATA: Workers report, by Executone, such data as time applied to each job. Central Timekeeping gets quick, accurate information, needs less personnel, gets data faster for decisions, reduces idle time between production jobs.

Send for "Management File on Communications", describing how companies use Executone Systems to improve profit opportunities.



Executone

COMMUNICATION and SOUND SYSTEMS

Executone, Inc., 415 Lexington Avenue, Dept. W-1 New York 17, N. Y.
Please send me your File. I am interested in:

- ☐ 1. Ending telephone tie-up
- ☐ 2. Locating personnel
- ☐ 3. Improving customer service
- ☐ 4. Keeping workers working
- ☐ 5. Speeding announcements
- ☐ 6. Getting cost data quickly
- ☐ 7. Inter-office communication
- ☐ 8. Office-plant sound systems

Name_____

Company_____ Type of Business_____

Address_____

City_____ State_____

In Canada: 331 Bartlett Avenue, Toronto

Now she can be *everywhere* at once...

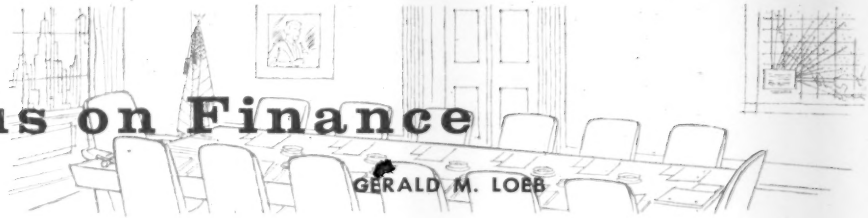
when she sits at the new Remington **KARD-VEYER**® filing unit!

The new Remington Rand Kard-Veyer Unit makes filing automatic . . . makes any girl in your filing department worth three times as much! A Kard-Veyer Unit delivers up to a half-million records to the operator at the touch of a button . . . enables her to file more than 1000 records per hour! The saving is substantial not only in time (money) but also in valuable floor space because a Kard-Veyer Unit concentrates the bulk of your files at a single convenient work station.

And ease of Kard-Veyer operation raises employee morale, reduces fatigue and virtually eliminates costly errors. This greater production and efficiency have made a remarkable improvement in customer service wherever Kard-Veyer Units are installed—leading banks, large loan companies and utilities . . . many other businesses large and small. Let a trained Remington Rand Systems Specialist show you how to do a faster, more effective filing job with fewer people—write Room 2110, 122 East 42nd Street, New York 17, N. Y.

Kard-Veyer is also available on a long or short term lease plan.

Remington Rand Systems
DIVISION OF SPERRY RAND CORPORATION



Focus on Finance

GERALD M. LOEB

INVESTMENT problems are more and more becoming a major concern of the company president, his chief financial officer, and others surrounding him on his corporate staff.

Years ago, these were personal problems. Each man had to invest his own money. Now, corporate funds are involved. These are mainly profit-sharing and pension funds, but sometimes surplus funds are at issue, or the handling of restricted employee stock options. Occasionally, a corporation may have reason to consider investing in its own shares.

Most corporate managements tend to delegate decisions on general security investing to professionals—the investment management department of a bank, an investment counseling firm, the investment advisory division of an advisory service, or a stock broker.

It is one thing doing something for oneself and an entirely different matter doing it for others. The latter involves ethical, psychological and legal factors which inevitably tend to fence in security market judgment. The attitude of the investor, however, can tend to tighten or loosen the decision straitjacket in which investment advisors generally find themselves.

The first thing an investor generally does is to try to look at the record, something which is easier said than done. Take, for example, the comprehensive Arthur Wiesenberger annual book on investment companies, some of which are managed by groups that also furnish outside investment management or counsel. Here are all the figures, but it has been my experience that, on the basis of the record, the more extensively one examines these reports the more difficult it becomes to form a real conclusion as to future results.

In the first place, one cannot always be sure where the responsibility for management of these funds really lies. Nor is it always evident when a gradual shift of responsibility is taking place. Investment managers, like all of us, change their attitudes with the passing of time; and very often an aggressive manager will become more conservative over the years. His earlier records do not always furnish a real clue to his current or future policies.

A question of temperament

Even more potent is the tendency of investment managers to have very strong personal investment beliefs. The investment manager who is flexible and changeable is very rare.

There are investment managers who favor certain groups and rarely change in their views. The performance of their funds fits the action of these groups. There are investment managers who are habitually cautious, and others who are always speculatively minded. One fund will thus do well in a declining market and poorly in an advancing one—and a second the reverse.

There are investment managers who have made what amounts to one extraordinary selection that brings them a fantastic profit. This can very well be a non-recurring profit, or the investment manager can move on to another brilliant stroke. This type of management incurs unusual risks, often offsetting a big gain with an equally big loss.

The record of the banks is more difficult to chart. The best measure is probably the records on the discretionary common trust funds that most banks operate to provide trusts of moderate size with broad investment diversification, as well as income return consistent with a conservative investment policy. They can be obtained for personal, private examination, though in New York State, at least, the republication of any part of them is not authorized.

The record of investment counsels or brokerage portfolio managements is only occasionally available when they also manage trusts of their own, though it is possible, of course, to examine the portfolios of many institutions run by various managers.

The real point that such investigation brings out is, in the main, the character of the decisions. By examining these reports, one can gain general ideas as to the manager's conservatism or lack of it, his willingness to invest independently or a slavish sticking to the orthodox favorites, the frequency or variety of changes, the ability to admit mistakes and make necessary shifts because of them.

In general, the banks will be the most conservative. The investment counsel will ordinarily take a broader view. There are, of course, exceptions.

When it comes to brokers, many of the larger firms offer several different types of service: an investment counsel department serving for a fee, portfolio management at no cost beyond normal commission charges, or personal management by a partner or a registered representative.

Most banks, but not all, have a policy board for decisions. The same is true of a lesser number of invest-

- *Who is best qualified to make the decisions on the investment of your company's funds?*
- *Here's sound advice on picking an investment manager—and getting the results you want.*

GREAT NEWS FOR FLEET OWNERS!
FORD DEALERS HAVE EXTENDED THEIR WARRANTY ON EVERY 1961 FALCON FOR 12,000 MILES OR 1 FULL YEAR!
THOSE FORD PEOPLE SURE BELIEVE IN FALCON!
THAT'S THE KIND OF FAITH THAT MOVES MOUNTAINS!
Peanuts Characters © 1950 United Feature Syndicate, Inc.
SCHULZ

You said it, Linus! In fact, so confident are Ford Dealers in the '61 Falcon that they were first in the industry to extend the warranty on a 1961 car. Each part of every 1961 Falcon, except tires, is dealer warranted against defects in materials or workmanship for 12 months or 12,000 miles, whichever comes first. Normal maintenance service or routine replacement of parts such as filters, spark plugs, condensers, ignition points are not covered. The '61 Falcon offers fleet owners exceptional savings, too. Savings on gas and oil. Savings on price—Falcon is America's lowest-priced 6-passenger car.* Even savings on tires, repair bills (and in most states) insurance and licensing. See your Ford Dealer for a copy of the new extended warranty and get the full savings story on the Falcon . . . America's best selling compact car.

FORD DIVISION, Ford Motor Company,

*Based on a comparison of manufacturers' suggested retail delivered prices

THE FLEET CAR THAT SAVES YOU MORE

FORD Falcon '61

ment counsel firms. Those that use a partner of a stock brokerage firm or one of its registered representatives get the nearest thing to pure personal decision, even though such men are backstopped by research departments.

The fees for investment management vary. They tend to start around one-half of 1 per cent, falling off rapidly as the size of an account increases.

The highest fees tend to be charged by the straight investment counsel firms. The banks charge somewhat less. Brokerage firms tend to charge the least, and in some cases commissions are credited against the fee. Accounts handled by their partners or registered representatives have no management fee, the work being supported by the business done through the firm.

Which do you pick?

On the whole, I feel that the type of service desired and the viewpoint, as well as the type of contact that can be made, is more important than the fee.

The important thing to realize is that investment decisions are made by human beings, and are thus subject to error. But, once having delegated authority, you may ask if it is wise to leave it alone, or if you should inject yourself into the situation.

In most cases, I think it is better to be personally posted and take a personal interest in investing policies. The aim is not to make decisions yourself, but rather to handle things so as to get the best out of the professional advice you have been getting.

This is best accomplished by attempting to ease some of the responsibility felt by your investment advisor.

If he feels you are sharing the decision, even though actually this is more an impression than a fact, he will be less hampered in determining what to do. The fact that you are taking a reasonable interest will tend to keep him more on his toes.

The three most common difficulties with delegated investment management are that professional advisers are reluctant to attempt much in the way of timing, reluctant to narrow the portfolio down to their real choices, and above all reluctant to take losses before they become too serious. There is also a tendency to

"This factory-built steel building gives us more cubic feet for our money."

In this attractive factory-built steel building, Frank and Bill Sheahen operate the Mutual Supply Company in Highland Park, Illinois, just outside of Chicago. They sell a wide variety of building and lawn supplies. Here's why they like their building:

"First of all, we like the initial economy of a factory-built steel building. It went up fast—a small crew bolted it together—and we saved considerably in construction costs. We like the clearspan construction because it gives us much more room for storage. Since there are no supporting columns, the entire interior is usable so we got more cubic feet of space for our money. The large doors and high ceilings allow us to stack our inventory with pallet trucks. And if we need an extension, it will be easy and inexpensive to bolt on. Also, even in Chicago's extreme hot and cold climate, our store stays warm in the winter and cool in the summer because it is properly insulated. This is very important in a retail operation like ours." The Sheahens like their factory-built steel building so well they've already begun construction of a second one, a warehouse out back, which they plan to lease.

The Mutual Supply Company building is an example of how easily a factory-built steel building can be adapted to any use. There's a factory-built steel building for almost any purpose—commercial, industrial or farm. Each of them is economical, spacious, functional, and attractive. Combined with complementary building materials for the sidewalls and storefronts, most attractive architectural effects may be realized. For more information about the best factory-built steel building for *you*, fill out the coupon and mail it today.

USS is a registered trademark

United States Steel Corporation
Room 6146, 525 William Penn Place
Pittsburgh 30, Pennsylvania

Please send me more information about factory-built steel buildings for the following uses:

_____

_____

Name _____

Company _____

Address _____

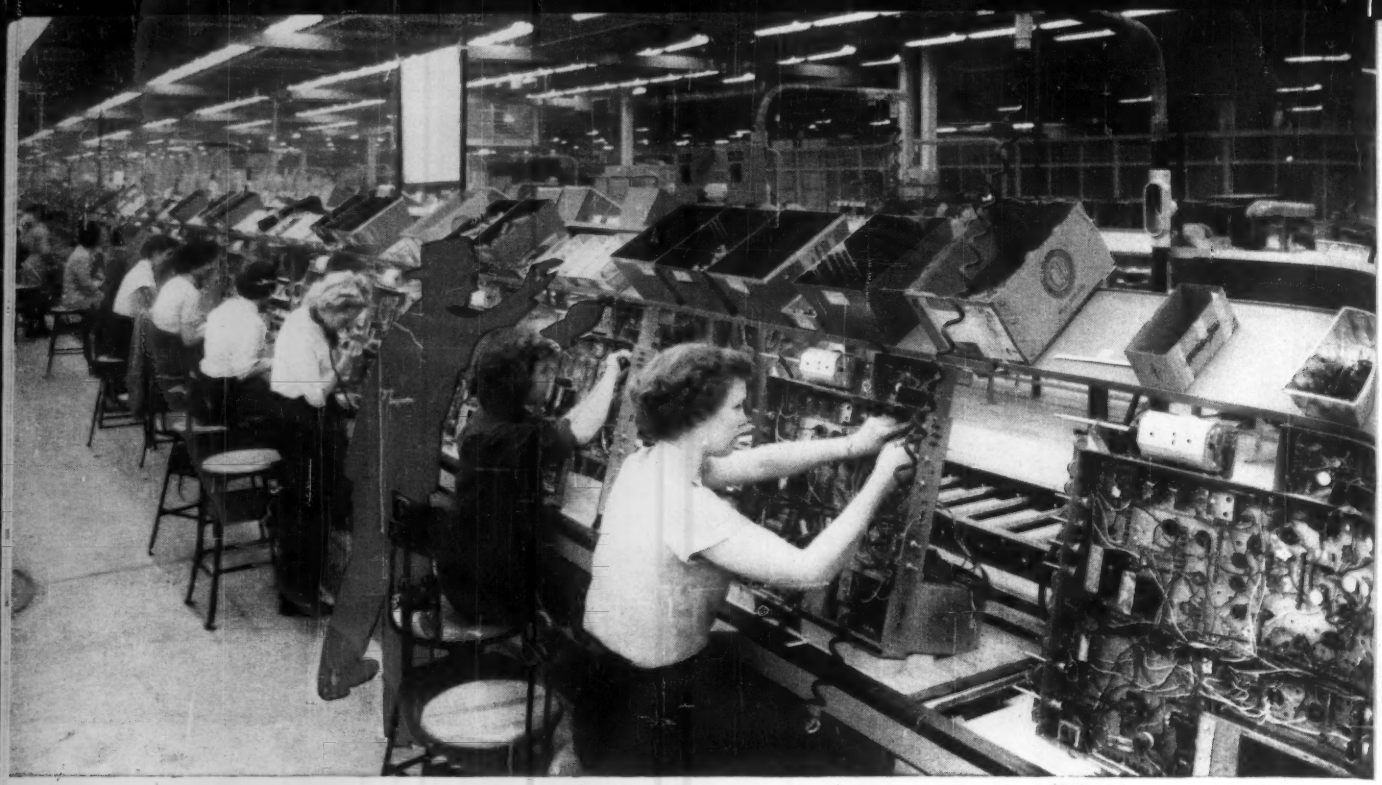
City _____ Zone ____ State ____

As a supplier of steel products used in factory-built buildings, U. S. Steel will forward your request for information to manufacturers of steel buildings. You will hear directly from them. There is no obligation on your part.

This mark tells you a product is made of modern, dependable Steel

USS United States Steel

Watch United States Steel's special Christmas show, **The Coming of Christ**, in Color on NBC-TV, Wednesday, December 21, 8:30 P.M., E.S.T.



Television assembly line.

Discover How a Townsend Man In Your Plant Could Improve Your Profits

Put a Townsend man, represented by the blue figure above, in your plant and discover for yourself, as others have, the pleasant things that happen to your profit curve.

By application of the Townsend Method to your present production line it may be possible to reduce unit costs, speed assembly, improve your products *and your profits.*

Working in your plant a Townsend man will determine from his vast experience which of the many Townsend fasteners, parts and installation tools are best for your entire operation. He will also analyze a single product or as many as you wish—he may even have special items designed for you. In short he will serve as an assembly consultant in your plant.

Others have found the introduction of the Townsend Method into their plant has increased their profit potential and competitive position. To put it to work for you write F. R. Dickenson, President, Townsend Company, Beaver Falls, Pa. There is no obligation.

THE TOWNSEND METHOD

★ Investigate the present methods, special fasteners and small parts used in assembly of your products.

★ Evaluate your design in relation to assembly, unit costs and appearance.

★ Eliminate wasteful, time consuming, costly methods as well as expensive fasteners and parts.

★ Coordinate the design function with project engineering to assure most economical tooling and assembly.

★ Estimate possible savings which can be translated into increased profits for you.

The Fastening Authority

Townsend

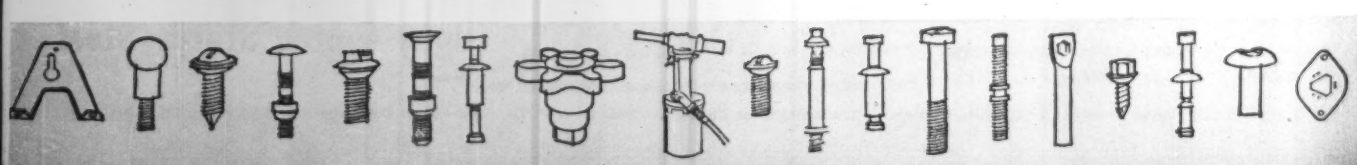
COMPANY • ESTABLISHED 1816

Executive Offices • Beaver Falls, Pa.

DIVISIONS

Engineered Fasteners Division • Cherry Rivet Division
Dunn Steel Products Division • Sheffco Division

In Canada: Parmenter-Bulloch Manufacturing Co., Limited.....Gananoque, Ontario



concentrate on current blue-chip favorites.

Investment managers always have the feeling that unless they get their clients' capital "working" they are not earning their keep. Sometimes a hint to the effect that uninvested cash is not of immediate consequence if more favorable opportunities are expected later will go a long way toward better timing, as well as better selection.

There is safety in numbers, and investment managers know this. However, overdiversification necessarily makes for average results. To outrun the average, a willingness to concentrate is essential. This is not easy to bring about, but it can be fostered.

I remember years ago attending a meeting between a very knowing investor and his geologist-advisor on mining shares. A list of eighteen favorite mining stocks was presented. It took an hour and a half to narrow this down to the geologist's comparatively few real choices. As it happened his judgment was very good, and the time and effort spent with him paid off.

Nothing is more difficult for anyone than deciding to take a loss. Perhaps the best way to meet this problem is to be doubly careful before opening a commitment, thus keeping losses at a minimum. No matter what one does, however, a few losses are inevitable.

The ideal way is to try and take them when they are early and still relatively small. Once in a while, this leads to taking what at first thought seems an unnecessary loss. But if it is looked upon as a kind of insurance premium, an occasional loss of this sort is worth many times its cost.

Fads and favorites

As to changing popularity, the published lists of the "Favorite Fifty" reveal this quite graphically. As a prime example, one of the stocks currently held in very low esteem is Montgomery Ward.

Yet back in 1945, Montgomery Ward was No. 1 on this list of professional institutional purchases. Around that time, such a favorite stock of this year as Eastman Kodak was very low in institutional esteem. Today's favorite is IBM, a stock which back in 1951 was No. 40 on the list. Even in 1955, it was still only No. 19. Thus, the unwanted of yesterday becomes

Weak old scale wastes postage!

Because it overweighs. *And you* overpay! *An unnecessary extra four cents postage on as few as ten letters a day runs into a hundred dollars a year—wasted!*

If your old scale is stiff and rusty, it underweighs . . . *And your mail arrives "Postage Due"—which is irritating to the recipients, and does your corporate image and customer relations no good at all!*

An accurate scale is a real economy in any office. And you can't find a better mailing scale than those precision made by Pitney-Bowes.

Pitney-Bowes scales have an automatic mechanism that is fast acting, accurate—and keeps its accuracy.

The hairline indicator quickly registers the exact weight. Big chart markings are easily visible, highly legible.

A PB scale makes mailing faster and easier, soon pays for itself in postage saved and errors avoided.

Seven models, including an international postage scale, a parcel post scale with 70 lb. capacity, and a small scale for the small office. Ask the nearest Pitney-Bowes office for the scale you need. Or send coupon for free illustrated booklet.

FREE: *Handy desk or wall chart of latest postal rates, with parcel post map and zone finder.*

Pitney-Bowes
MAILING SCALES

Made by the originator of the postage meter . . . 139 offices in U.S. and Canada

PITNEY-BOWES, INC.
1585 Walnut Street
Stamford, Conn.

Send free booklet ☐ *rate chart* ☐

Name _____

Address _____

NO MORE MESSY LABELING!

USE OPI Premier STIK-ON LABEL HOLDERS

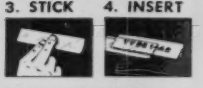
"will not warp, curl or crack"

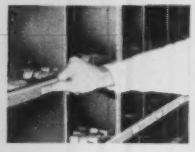
CLEAR VINYLITE PLASTIC

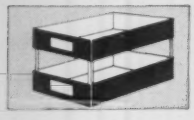
SO EASY TO USE

1. SNIP 2. STRIP

3. STICK 4. INSERT







HUNDREDS OF USES

You can enjoy neat, attractive labels anywhere in office, factory, store or home. on desk trays • display units • storage shelves cabinet drawers • parts bins • library shelves

STANDARD SIZES

½" x 6" • ¾" x 6" 1" x 6"

Packed 2 or 10 strips to a package. (Strips 6" long.) Available in other widths — Special sizes and widths on request.

COLORS AVAILABLE

Amber • Blue Green • Red • Yellow

Sold through Stationers only—or write

Office Products Inc.

26029 W. 8 Mile Rd. • Detroit 40, Michigan

Go from $7,000 to $10,000 a year in less than 18 months

★ INVEST IN ★

Launderamas

Coin-Operated, Fully Automatic Laundry Stores

Here is the perfect "second business" for the average businessman. The initial investment is surprisingly low. The rate of return is exceptionally high—and begins the day your store opens. Hundreds of businessmen have invested in LAUNDERAMAS in the past year and now enjoy substantial additions to their incomes—many by as much as 50%.

LAUNDERAMAS require no franchise fees and feature extremely low operating costs. Therefore, you can offer your customers from 40% to 60% savings on all their laundry needs. LAUNDERAMAS quickly win community acceptance and are conducive to chain operation.

LAUNDERAMAS are investments with built-in security because they are "competition-proof." Their custom-designed equipment is able to handle twice the amount of clothes the average commercial washers handle and at half the utility and maintenance costs. And this outstanding equipment is available at the lowest financing terms in the industry—10% down with the balance financed at 6% over three years.

Our nation-wide organization is ready to offer you years of experience in this success-proven field and help you develop your own coin-operated laundry store business.

For complete information and name of nearest distributor call or write:

ZEOLUX CORP.

DEPT. D

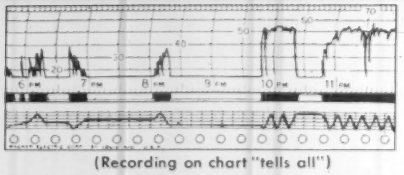
261 MADISON AVENUE

NEW YORK 16, N. Y.

YUkon 6-9740

© 1960 Zeolux Corp.

UP TO 31 DAYS RECORDING on a single "strip" chart



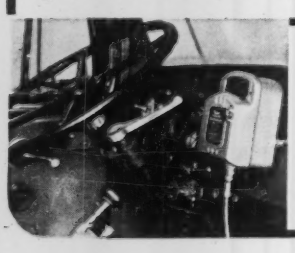
(Recording on chart "tells all")

NEW WAGNER SANGAMO TACHOGRAPH

graphically records truck operation

Mounted on the dash of a truck, this new type of recording speedometer permanently records vehicle operation up to 31 days on a single "strip" chart . . . graphic recording on chart indicates time truck engine started, time engine idled, starts, stops, speeds and distances traveled.

Information recorded on chart helps you plan better routing, control speed, and lower operating costs by encouraging safer driving and savings in time, gas, oil and tires . . . For details, mail the coupon.



Wagner Electric Corporation

6439 PLYMOUTH AVE., ST. LOUIS 33, MO., U.S.A.

Send FREE copy of Bulletin SU-140.

Name_____

Company_____

Address_____

City & State_____

We operate_____ vehicles. W560-7

the favorite of today, and the favorite of today will be forgotten in the years to come.

Besides IBM, the most popular investments of professional investors today in various groups are: Texaco, United States Steel, DuPont, General Electric, American Telephone, International Paper, Goodyear Tire & Rubber, General Motors, International Nickel, Minnesota Mining, Eastman Kodak, and Southern Company. These are from the top twenty of Vickers "Favorite Fifty." It would seem to me that any investment manager who submits such a portfolio would need to do a lot of explaining to avoid the suspicion that he was just going with the crowd.

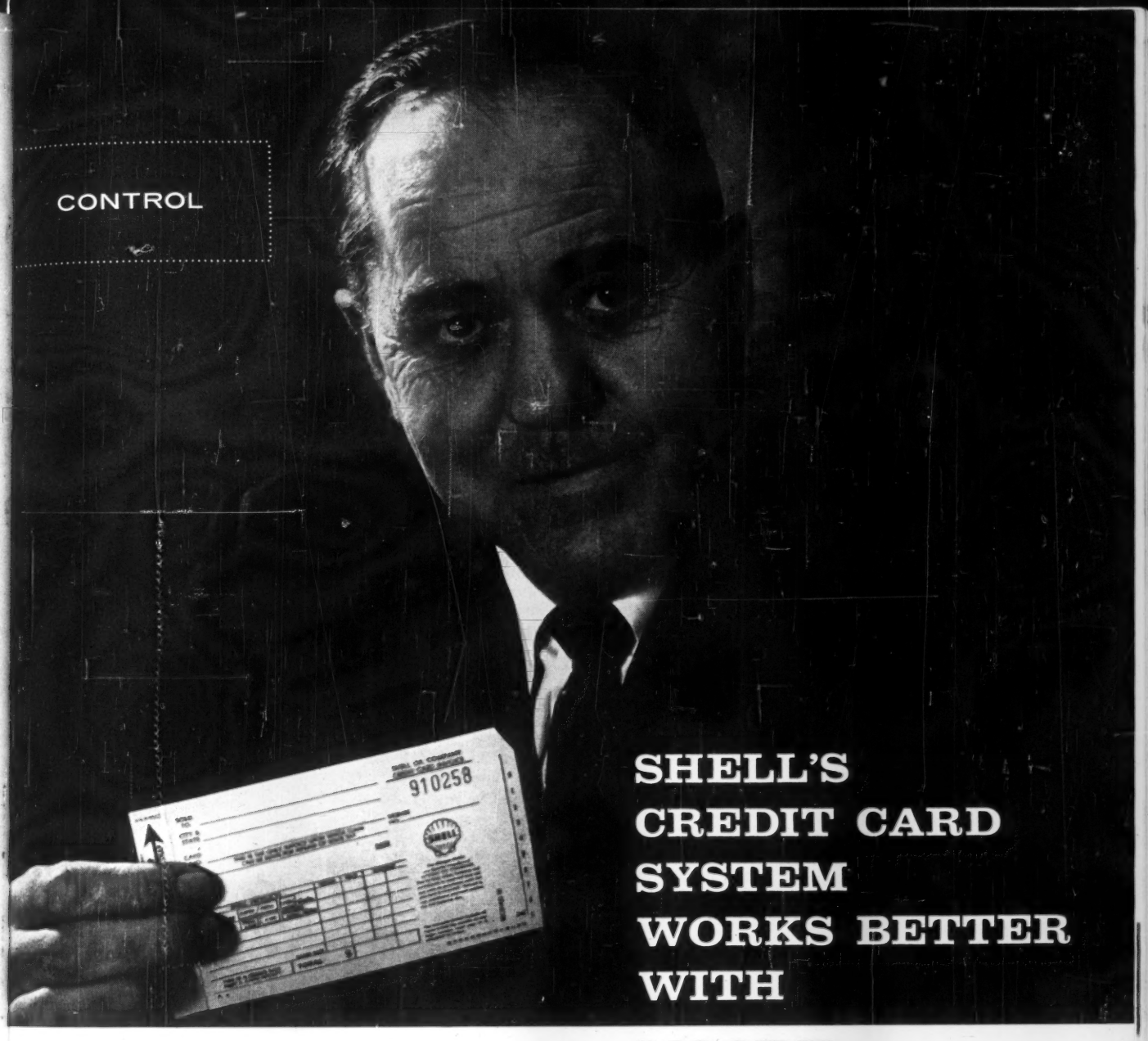
Easy does it

It is in these areas that the client can do the most to get the most out of his professional investment adviser. Obviously, it must be done with the greatest of tact. Recrimination or any kind of criticism is more harmful than helpful. The back-seat driver in the investment field always ends up with the roughest ride.

The best general principle is to leave the investment decisions to your adviser. If you reach the point where you are not satisfied, you can always make a change. Meanwhile, you can get more from him by letting him know your interest, and by having him explain his ideas, always without criticism on your part.

Investment for others is at best a most difficult and unrewarding occupation. There is a real difference in what is accomplished for different clients with different attitudes. In my opinion, the right kind of attention will greatly increase the results you achieve for your corporation's funds or your own. END

One of the most widely respected money managers in the nation's financial capital, Gerald M. Loeb is a partner in the firm of E. F. Hutton & Company and author of *The Battle for Investment Survival*, an established financial best-seller, and of the recently published *Loeb's Checklist for Buying Stocks*. His "Focus on Finance" appears bimonthly in DUN'S REVIEW.



SHELL'S CREDIT CARD SYSTEM WORKS BETTER WITH MOORE BUSINESS FORMS

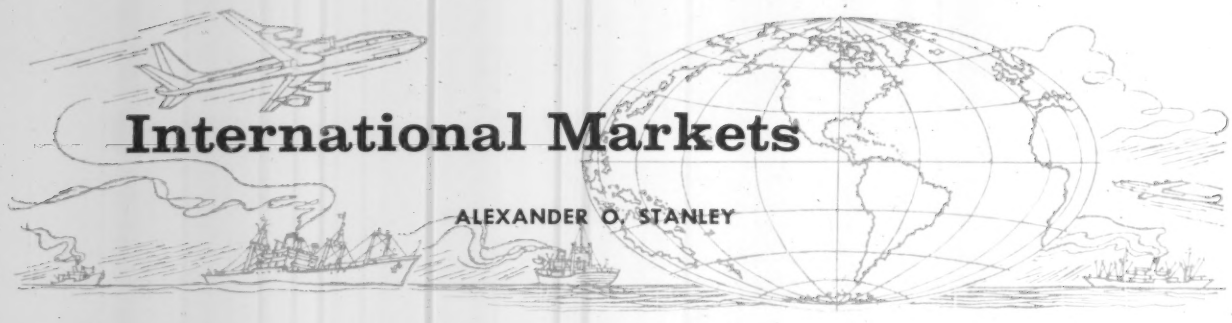
R. K. Burns, Controller,
Shell Oil Company,
one of the many businesses that build
control with Moore Business Forms

To make the most of modern methods, Shell Oil Company automated its entire billing operation. The results? 50,000 statements can be handled each day. A high degree of accuracy is maintained.

The system is built around the charge ticket used in the stations. One part of it is a card for use in electric accounting machines. It comes into the main office a simple handwritten record of the sales facts. The facts are punched into the card, turning it into a key part of the system. From here on, all steps are automatic, including the printing of statements. Receipts are also checked by machine; the chance of human error is all but eliminated. The charge ticket is a specially designed Moore form—the Company's control in print.

The Moore representative worked closely with Shell in developing the forms that make this system work. His knowledge of ADP (Automated Data Processing) can be put to work for your company, too, whatever controls you need. Look him up in the Yellow Pages, or write the nearest Moore office.

MOORE BUSINESS FORMS, INC. Niagara Falls, N. Y. Denton, Texas · Emeryville, Calif. · Over 300 offices and factories throughout the U. S., Canada, Mexico, Cuba, Caribbean and Central America.



International Markets

ALEXANDER O. STANLEY

Ignoring the mutterings of labor blocs at home and the expropriation banditry of Castro in Cuba, U.S. management continues to pour men, money, and machinery into international markets. By mid-year 1960, U.S. capital investments in subsidiary operations abroad set a new record—a thumping $30 billion stake which is still increasing. Here are the significant trends in this huge build-up of overseas investments:

- Capital additions are moving at a $2 billion annual rate, with roughly one-half stemming from fresh capital funds, one-half from retained earnings of overseas subsidiaries.
- Earnings of $3.3 billion cleared in 1959 show a recovery from 1958 levels, and are just below the 1957 record peak of $3.5 billion.
- Dividends, interest, and branch profit additions to U.S. corporate income totaled $2.2 billion in 1959. These income receipts have been comparatively stable in recent years but may show an uptrend in 1960 overseas P&L statements in view of the booming trade abroad through the first six months of 1960.
- Estimated 1960 overseas sales are in excess of $32 billion. Firm composite statistics are not yet available because of disparate accounting practices, especially in the petroleum group, but 1959 total sales of U.S. manufacturing industries overseas set a new record—$21 billion, up 14 per cent from 1958.

The big news is that manufacturing industries are now hard competitors with the petroleum group for the No. 1 spot in the overseas investment picture. At the close of 1959, manufacturing investments had broken through to a new high of $9.6 billion, and less than $750 million separated the two groups.

Nearly one-half of the almost $1 billion spent in new industrial installations abroad during 1959 went to Europe. The biggest single gainer was Great Britain (see page 41), which got close to half the fresh capital funds, although West Germany, France, Italy and the Netherlands also got sizable shares.

Canada remains the investment constant: It continues to account for almost $1 of every $3 U.S. dollar invested abroad.

Investments in the Middle East and Africa languish, but big investment strides show up in the Phillipine Islands and Japan.

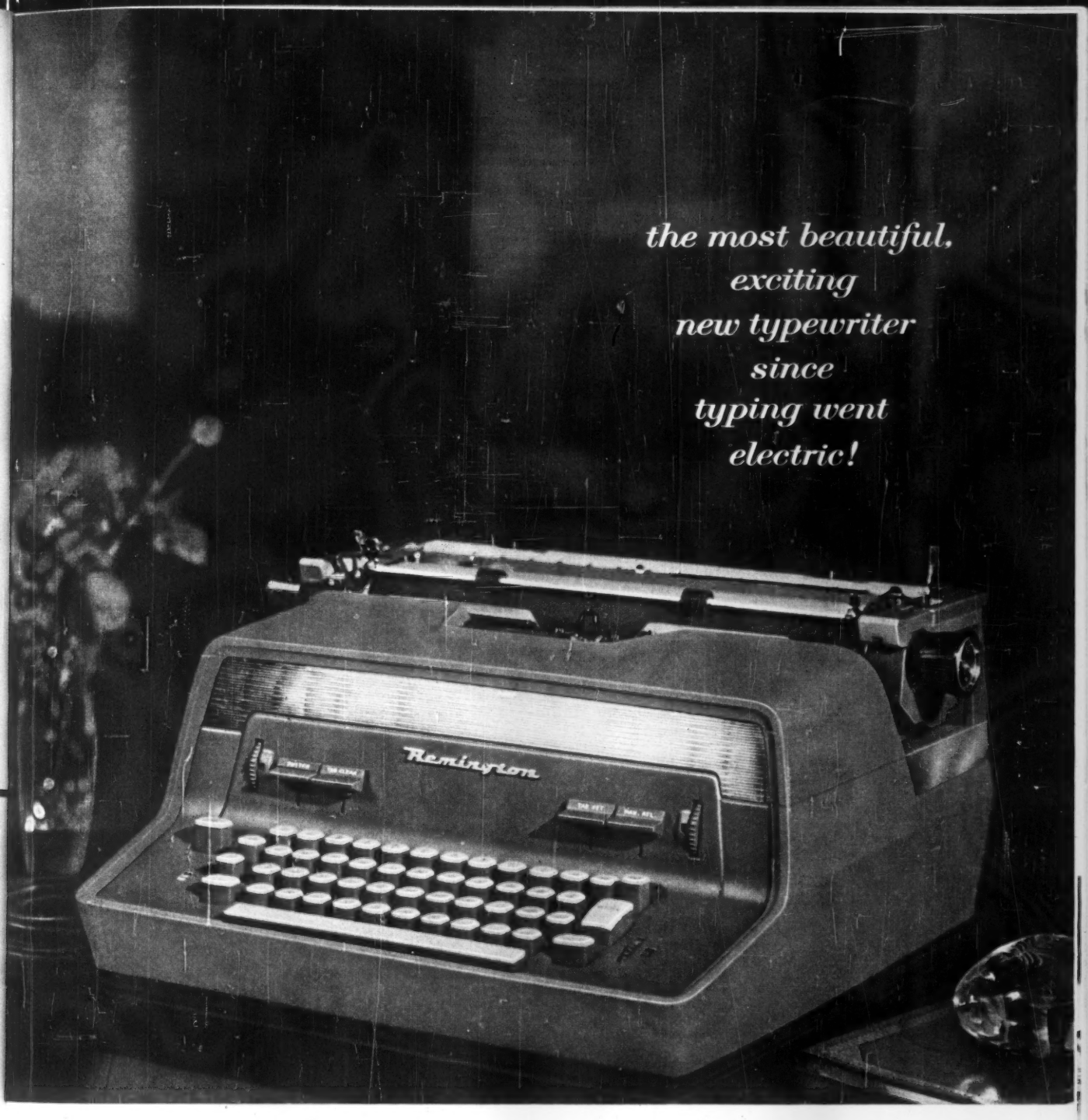
South of our borders, even while Castro has been busily chopping down the $1.5 billion U.S. investment structure in Cuba, Latin America as a whole has remained an attractive investment area. As a bloc, it ranks second in appeal for U.S. capital deployed abroad. In 1959, Latin American investments tallied $8.2 billion, up $5 billion since 1950. Big gainers last year were Argentina, Brazil, Chile, Mexico, and Venezuela, especially in the expansion of their industrial complexes. Ironically, at first Cuba too shared in the buildup of U.S. investments, but all that came to a jarring halt early this year.

These are the highlights of a study released recently by the U.S. Department of Commerce. What overseas investments mean to this country and to the nations which attract them is obvious from a companion report—the comprehensive 1957 census on *U.S. Business Investments in Foreign Countries*, just published by Commerce's Office of Business Economics.

This report reveals that only $1 of every $10 of products and commodities produced abroad by U.S. subsidiaries is brought into this country. (Slightly more than $7 in every $10 is consumed by the "home" market.) The bulk of these "imports," which account for about a quarter of U.S. purchases abroad, consists of crude and processed raw materials such as petroleum, foodstuffs, and metals. Fed into American assembly lines for conversion and refining, they create rather than destroy jobs for U.S. labor.

Lumped together, all the manufactured and semi-manufactured goods U.S. companies make abroad for U.S. consumption account for only $1 billion of the $32 billion-plus in sales generated by American companies in their productive and extractive operations overseas. Even here, the pinch on American jobs is light, since 80 per cent of these shipments come from Canada and consist of newsprint, wood pulp, and aluminum which keep our presses—manned by U.S. labor—humming. Imports from

- *U.S. companies' overseas investments hit $30 billion record*
- *Steamship line launches a mobile trade fair*
- *Export expansion program goes into high gear*



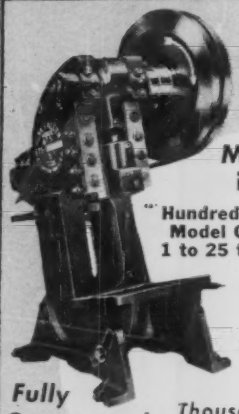
THE NEW REMINGTON ELECTRIC OUTSTYLES, OUTPERFORMS, OUTSMARTS AND OUTDATES ANY OTHER ELECTRIC IN THE FIELD

Breathtaking breakthrough into tomorrow! The new Remington Electric heralds a new dawn of typing ease and comfort for secretaries—a new age of impeccable correspondence for letter-signing executives, too. Available in 6 soft pastel colors, this fine performer speedily moves mountains of paperwork. See the new Remington Electric at your local Remington Rand office today!

Remington Rand

DIVISION OF SPERRY RAND CORPORATION

ALVA ALLEN
Heavy Duty
PUNCH PRESSES



Powerful
Dependable
Economical

Moderate in Price

Hundreds of different Model Combinations 1 to 25 ton Capacities

Model BT-5
5 Ton
$199.50
less motor-fob

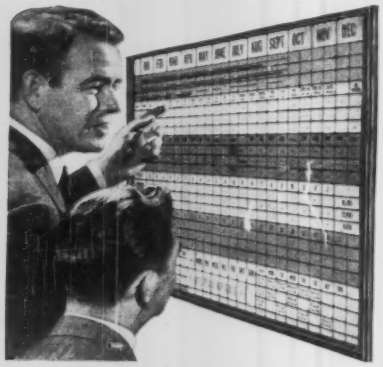
Fully Guaranteed

Thousands in use the World over

See your Supply Dealer or write for catalog giving complete information, specifications and prices on our line of Heavy Duty Punch Presses.

ALVA ALLEN INDUSTRIES
Dept. DR, Clinton, Missouri
Telephone—TUrner 5-3331

You Get Things Done With Boardmaster Visual Control



☆ Gives Graphic Picture of Your Operations—Spotlighted by Color
☆ Facts at a glance—Saves Time, Saves Money, Prevents Errors
☆ Simple to operate — Type or Write on Cards, Snap in Grooves
☆ Ideal for Production, Traffic, Inventory, Scheduling, Sales, Etc.
☆ Made of Metal. Compact and Attractive. Over 500,000 in use.

Complete price **$49.50** including cards

FREE 24-PAGE BOOKLET NO. D-300
Without Obligation

Write for Your Copy Today

GRAPHIC SYSTEMS
Yanceyville, North Carolina

American-owned European manufacturing plants account for most of the 20 per cent balance, with cars and parts the largest single item.

All statistical evidence so far supports the conclusion that U.S. companies invest abroad primarily to strengthen their competitive posture in overseas markets. But if we benefit from these investments, so do the countries in which we put our money. Here, in capsule form, is the distribution of the $32 billion income generated overseas:

Wages draw $7 billion of it, and most of that sum goes to foreign employees—some 3 million of them. (In 1957, U.S. personnel stationed abroad accounted for only 1 per cent of the total payroll, although 10 per cent of the more specialized supervisory professional or technical positions were manned by Americans.)

Taxes took $4.5 billion. This figure is about equally divided between income taxes and indirect taxes, including production royalties, excise taxes, import duties.

Materials and supplies accounted for $17 billion of the $32 billion. Roughly $2.5 billion was spent here for capital goods and supplies. About $1 billion constituted imports from the U.S. of manufacturing components and materials.

Profits accounted for $3.5 billion. Roughly $1 of every $3 netted abroad is reinvested locally, generating new jobs and new income to the people and the governments alike.

Products Go Cruising

Something new in exhibit techniques is now available on the international business scene. Developed by a major steamship line, the Isbrandtsen Company, the "mobile trade fair" will place a selection of U.S. goods on exhibit in ten Middle and Far East port cities on a round-robin basis.

Special aluminum "exhibit containers," 20 feet long and 8 feet high and wide, have been built to accommodate eight product displays. Each is a self-contained exhibit with hinged sides that can be raised to provide a small shelter for viewers. Eight of these "exhibit containers," part of a total of 100 built, will be carried by one of the Isbrandtsen ships to a port of call, then transferred to a local fair site. After two weeks, another Isbrandtsen vessel will pick up the containers, carrying them on to the next port of call, and so on. Plans so far call for displays of automotive equipment and supplies, household appliances, machinery, and a broad range of materials, food, and drugs.

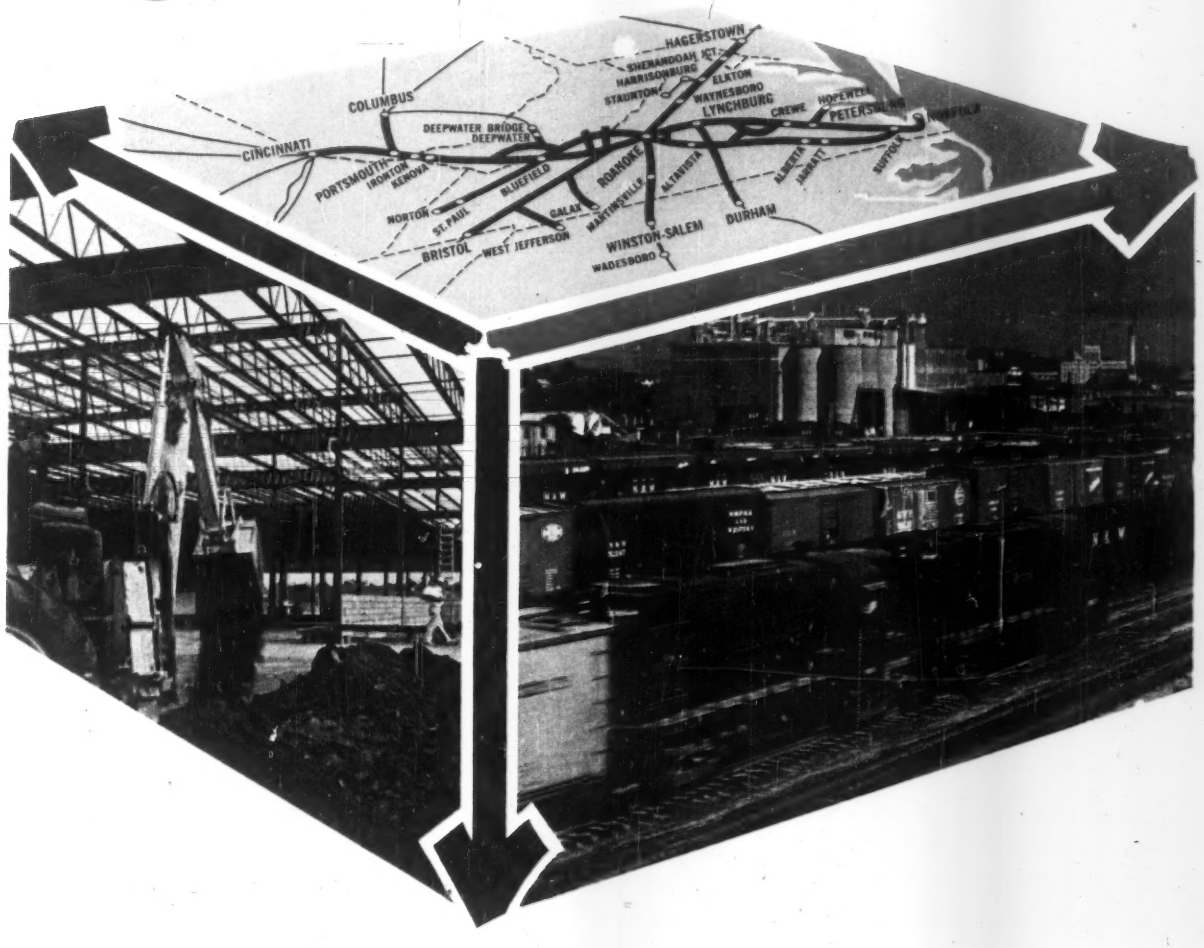
Included in the present exhibit itinerary are Beirut, Alexandria, Jeddah, Port Sudan, Karachi, Bombay, Singapore, Hong Kong, Keelung, and Pusan. Most of the bill is now being footed by Isbrandtsen Lines, but its management thinks the $500,000 tab (each container alone costs $3,500) will be recovered many times over from sales of cargo space. Exhibitors themselves pay only for their own product display, built to Isbrandtsen specifications, pay a nominal fee for installing it in the container, and are required to take out low-cost, all-risk insurance on the display. Interested companies can write to C. H. Betjemann, Vice-President of Traffic Sales, Isbrandtsen Company, Inc., 26 Broadway, New York 4.

Exports: Full Speed Ahead

"Operation Hard Sell," sponsored by the U.S. Department of Commerce is getting into high gear. The Eximbank has already issued 82 short-term and 55 medium-term credit insurance contracts against political risks, for a total of $65 million. And in the short space of six months, the export expansion campaign has achieved some impressive results:

- A team of 218 U.S. business men working on the trade missions program has made contact with 34,000 business executives abroad. One direct benefit of the group and individual consultations: 2,800 specific leads involving import-export and investment operations.
- Trade survey teams are fanning out to study market potentials in Africa, Central America, the Middle and Far East, and Oceania. In some spots, a U.S. Commercial Office and Library will be opened to provide quick trade leads and other services to U.S. exporters. One aim is to get more lead-time on bids for foreign construction projects and foreign government tenders for bids on commodities.
- Some 130 U.S. Business Information Libraries, stocking trade papers and technical publications, are now attached to foreign ministries, chambers of commerce, and trade organizations abroad, to make available trade and technical data on how the American business man does his mar-

Growth in 3 dimensions



On this go-minded railroad, growth is measured in 3 dimensions! LONGER lines — expanded 30 per cent by the first major rail merger of modern times. WIDER industrialization — with more and more new plants finding profitable sites along N&W tracks. Additional "locational fits" for expanding industry are being pinpointed by Fantus Area Research's survey of N&W territory. HIGHER traffic volume — as shippers take advantage of the N&W's new speed, efficiency and advanced equipment. Sparked by a spirit of challenge and adventure to build a carrier second to none! That's today's N&W — NATION'S GOING-EST RAILROAD!

N&W

NORFOLK & WESTERN RAILWAY

GENERAL OFFICES • ROANOKE, VIRGINIA

That real cost figure tells him why lubrication is a management responsibility

When a bearing fails, a new one will cost, say, $50. But if that failed bearing shuts down your entire production line, the resulting downtime and lost production can run the bill up to $3,000 or more. And that's your *real* replacement cost.

Only management can effect a cure for this severe bite out of profits. Here's why:

A failed part is only a symptom; very often the *cause* is improper lubrication. The part can be replaced but the cause remains. The machine will fail again.

Like any plant-wide operation procedure, an organized lubrication system—which will prevent the vast majority of equipment failures—has to come from the top. For this reason, lubrication is a management responsibility.

For a preview of what Organized Lubrication can accomplish in your plant, we invite you to see our new movie "Stop Loss with Organized Lubrication." For an early showing, write:

Texaco Inc., 135 East 42nd Street, New York, N. Y., Dept. D-171.

LUBRICATION IS A MAJOR FACTOR IN COST CONTROL

keting. Each library carries about 1,000 pieces of literature. The libraries opened initially to provide reference data for U.S. trade mission teams, but were later donated to important foreign institutions for local use.

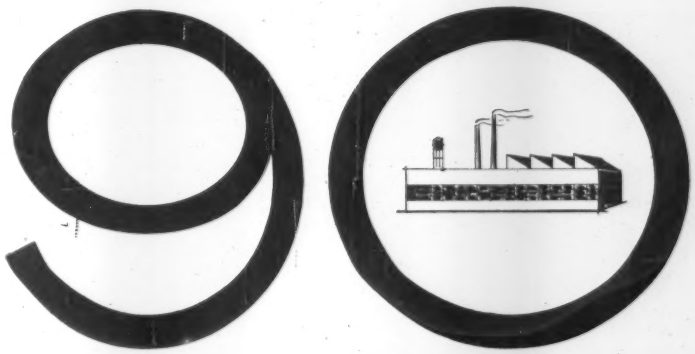
- During 1960, fourteen U.S. International Trade Fairs reached a total audience of 10 million in various countries, providing effective, close-up exposure of a broad spectrum of made-in-USA products to potential customers.
- To fill information and publicity gaps in the newly developing countries, five Foreign Service posts are now publishing business newsletters about American goods, and especially new products, for distribution in local business communities.

More U.S. companies will be asked to provide industrial displays, catalogs, and literature to U.S. Foreign Service posts, especially in areas where potentials exist for increased sales. These will be amplified by market polling and commodity checklists in areas where this type of research is justified.

More inquiries and more varied product leads, for both exports and imports, are now appearing in the *Foreign Commerce Weekly*, published by the Commerce Department. Lists of commodities permitted entry into specific areas under relaxed trade regulations also appear intermittently.

In addition, new trade list services have been started for dissemination among U.S. business men, so that they can identify overseas firms in their customer category and take the initiative in locating sales outlets abroad. Trade contact services have also been expanded to help companies develop effective overseas sales agency and distributor contacts.

Since the Commerce Department drive began, American newspapers have extended their coverage of the National Export Expansion Program. Universities, colleges, and trade associations throughout the country have started seminars and workshops to teach executives foreign trade procedures and the techniques of marketing goods overseas. And business men who haven't yet looked into NEEP, or given much thought to what it can do, will find the door of the nearest U.S. Department of Commerce field office open. The few hours and dollars spent can bring a rich harvest. END



90 New Industries from
AROUND THE WORLD

Cash grants, tax exemption incentives help bring manufacturers to Ireland

Today Ireland is rapidly emerging as an industrial nation skilled in providing manufacturers with every facility needed to compete successfully for rich, fast-growing overseas markets. During the last three years 90 new industries from all parts of the world have come to Ireland to set up operations.

You will find Ireland's incentives particularly enticing. You receive *ten years exemption* from income tax on export profits plus a further five years reduced taxation. Outright, non-repayable *cash grants* help you build your factory (up to 100% of cost), equip it with machinery (up to 50% of cost) and train your workers (up to 100% of cost).

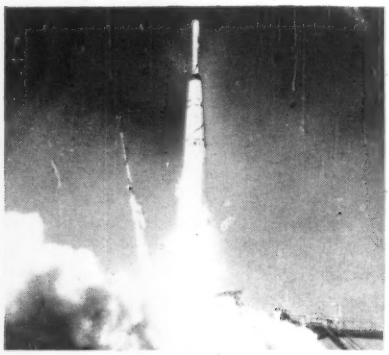
Other advantages include preferential treatment for your products in many countries, reasonable wage scales *(about a third of those paid in the U.S.)*, ample power, and a plentiful supply of *interested*, intelligent labor.

Why not write today for details. The Industrial Development Authority's office in New York is ready to assist you with information about your specific industry.

- *If you can use air freight, Shannon Free Airport offers ready-to-occupy factories for renting, and tax exemption until 1983.*

IRISH INDUSTRIAL DEVELOPMENT AUTHORITY
405 Lexington Avenue, New York 17, N.Y.
Telephone: OXford 7-0848

RUBBER BALL SHATTERS when frozen in liquefied nitrogen at temperature of 320° below zero, F. In this super-cold world, most materials become brittle, can be shattered easily.



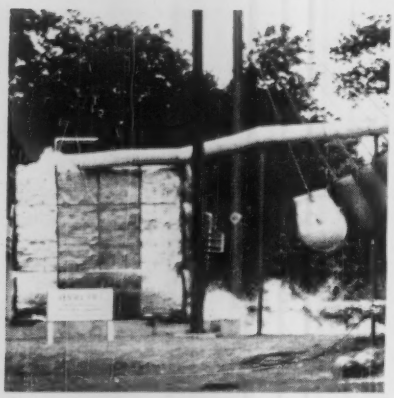
LIQUID FUEL SPACE PROBES depend on fuels handled under super-cold conditions as low as −454°F.

OXYGEN PIPED INTO HOSPITAL ROOMS from central storage tank that stores oxygen in liquefied form at −298°F. One small tank holds enough to supply entire hospital.

NATURAL GAS WILL BE SHIPPED AS LIQUID to fuel-short areas at −258°F. Huge supplies of natural gas can be liquefied to occupy relatively small space.

THE STRANGE SUPER-COLD WORLD OF CRYOGENICS

Steel with Inco Nickel in it is needed to withstand the crippling cold!



5000-POUND BALL SMASHES DOWN on insulated 9% Nickel steel tank filled with liquefied nitrogen. Tank, chilled to −320°F, withstood the repeated crushing blows, demonstrates its dependability for cryogenic use.

A rubber ball becomes brittle and shatters like a flower pot! This amazing sight occurs in a strange new world of *sub*, sub-zero temperatures. It's the world of cryogenics—a new science that uses super-cold to perform wonders never before possible.

At −258°F, natural gas can be shipped to fuel-short areas in space-saving liquid form. At −298°F, medical oxygen for an entire hospital can be stored as liquid in a tank the size of your water heater. Rockets for outer-space probes depend on super-cold fuels as low as −454°F!

The benefits of cryogenics are great. Unfortunately, so are the problems caused by its low temperatures. They make most materials brittle...so how do you store the super-cold liquids safely?

Inco Research has the answer — a steel toughened by Nickel to withstand the crippling cold — a 9% Nickel steel, economical enough for widespread use!

To show that this steel could stand the severest conditions, it was put through a grueling test. Tanks made of 9% Nickel steel were filled with liquid nitrogen at −320°F. Then 5000 lb drop balls were smashed down on them time and again. 9% Nickel steel took each blow in stride.

Developing metals and testing them for new and unusual uses is one way Inco helps bring industry the benefits of metal progress. © 1960, INCO

The International Nickel Company, Inc.
New York 5, N. Y.

INCO

International Nickel

The International Nickel Company, Inc., is the U. S. affiliate of The International Nickel Company of Canada, Limited (Inco-Canada)—producer of Inco Nickel, Copper, Cobalt, Iron Ore, Tellurium, Selenium, Sulfur and Platinum, Palladium and Other Precious Metals.

Inside Industry

- *Mammoth savings from new administrative set-up for planned cost-cutting projects*
- *1960 expenditures for product and process development highest on record*

Cost "Improvement"

Multi-million dollar results from a cost-saving program make news in themselves. When the program is a long-term project that promises continued big savings in just one division of a large company, banner headlines are in order.

The most unusual aspect of the program, which has been in effect in G.E.'s Missile and Space Vehicle Department since 1958, is management's emphasis on "improving" rather than just slicing costs. Cost improvement is a three-pronged pincer movement consisting of:

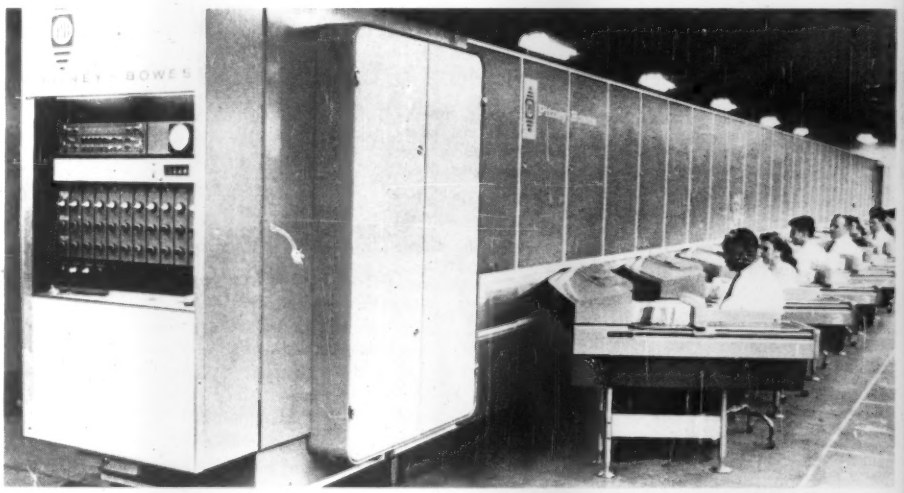
- cost reduction—continuing to do something, but at less cost (this accounts for the lion's share—74 per cent—of savings to date)
- cost elimination—ceasing to do something (18 per cent of savings)
- cost avoidance—not doing something that had been planned (8 per cent).

The cost improvement function is a direct responsibility of the Manager, Operation Analysis, who reports to the general manager of the division. Two full-time specialists carry out the details of the program. Cost improvements are actually organized as planned projects. The appropriate managers make regular studies of continuing problems and customary ways of doing things, as well as reviewing suggestions for improvements submitted by the staff. They also specifically assign people to the projects once they have been accepted by a review board made up of managers and high-level specialists. A schedule for the project is drawn up which the Cost Improvement Office can check on.

The most striking example of a cost improvement at the Philadelphia plant involved the transportation of space vehicles from the assembly and checkout areas to the launching pad. Formerly, the job was handled by two specially built trucks. Studies showed that a single machine consisting of a standard trailer chassis with a specially designed lift could do the job quicker, easier, cheaper, and with less danger of damage to the cargo. Although the Government agency concerned was reluctant to approve the change, after it went into effect savings of $481,000 were achieved in one year.

The program is particularly welcome to the company because bidding on military and space contracts is becoming increasingly competitive (see "Defense Business: Is It Worth the Effort?" DUN'S REVIEW, May 1960, page 42).

Since the Missile and Space Vehicle Department is concerned almost entirely with R&D work, the specific ways in which it has saved money



LETTER UNSCRAMBLER: *Although industry usually thinks only in terms of the military when the phrase "Government contract" is mentioned, other branches of the Federal Government are also heavy purchasers of equipment. For example, the Post Office paid Pitney-Bowes $2 million to develop this machine, which sorts 60,000 letters an hour. At least 25 cities already handle enough mail to justify such installations, which would cost about $250,000 each in small orders.*

LOOKING FOR MORE LAND?

THIS TRI-STATE AREA
(Served by the Reading)
IS IDEAL FOR INDUSTRIAL EXPANSION

HERE'S WHY:

- Fast, dependable rail service
- Outstanding state highways
- Plenty of power, gas and water
- Industrial zoning
- Wealth of skilled and unskilled laborers
- Excellent supply of raw materials
- Near Port Richmond (Largest privately owned Tidewater Terminal)

For more information without cost or obligation, write:

Mr. Francis X. McBrearty, Manager
Industrial Development Dept.
614 Reading Terminal
Philadelphia 7, Pa.

FREE! Informative folder, "Looking for the Right Plant Site?" For your copy write to address shown above.

Reading Lines

READING RAILROAD
INDUSTRIAL DEVELOPMENT DEPARTMENT

cannot be duplicated by assembly-line manufacturers, though they are applicable to producers of large capital goods. GE attributes a large part of the cost-cutting program's success to administrative methods which can easily be adapted by companies large and small.

Product Development Rises

Industry's product and process development expenditures are on the rise. A new American Management Association survey of 400 manufacturers shows that these representative companies have spent about 11 per cent more in this area in 1960 over 1959.

Since the first AMA survey of product development costs in 1957, these expenditures have shown a steady increase. In 1957, they averaged 2.8 per cent of the 400 companies' sales. In 1958, this percentage rose to 3.2 per cent. The biggest jump of all occurred this year, when the figure rose to 3.7 per cent.

The expenditures did not rise in all 26 industries represented in the survey. They decreased sharply in mining, and slightly in printing and publishing. The electronics industry, on the other hand, spent nearly 17 per cent more in 1960 over 1959, although the greatest part of its product development costs are actually paid for by the Government in the form of R&D contracts. R&D accounts for this industry's extremely high expense—equaling 7.7 per cent of sales—for product development.

By contrast, another big industry, chemicals—which receives little Government support—spent 4 per cent of sales. The lowest spenders of all were petroleum refiners (1 per cent) and public utilities (0.2 per cent).

Heat-Loving Transistors

Not since the transistor was invented in 1948 has it matched the ability of conventional vacuum tubes to operate at high temperatures—until recently. Now Westinghouse researchers have developed a transistor they claim is the first that can work in an ambient temperature of 650 F, about 250 higher than the best commercially available devices. The new transistor is made out of silicon carbide, which is also the principal component of grinding wheels.

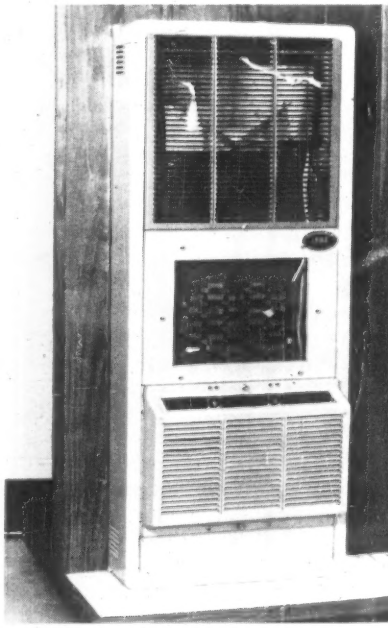
The researchers, Dr. H. C. Chang and L. F. Wallace, hope to raise the upper operational limit of their laboratory models to over 900 F, which would make the unit competitive with specially designed vacuum tubes.

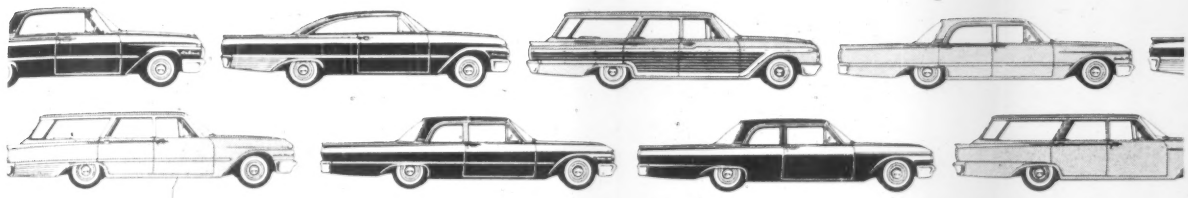
Laboratory Listing

Revised for the first time in six years, a new *Directory of Industrial Research Laboratories in New York State* is available free from the New

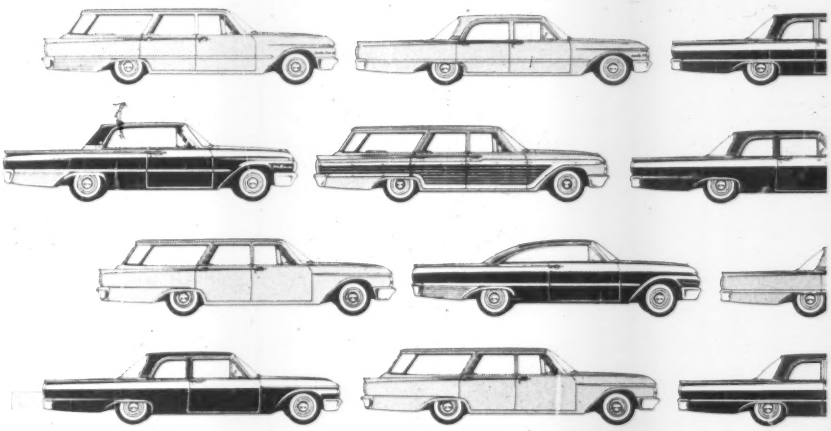
Self-Contained

This experimental gas-fired wall heater could become the first mass-produced home application developed in the burgeoning science of thermoelectrics. Heat produced by the gas burners rises past the thermoelectric elements in the middle of the unit which convert a small part of the heat into electricity. The electric power in turn runs the heating controls and circulating fan, making the heater independent of electric utilities. Developed by the Minnesota Mining and Manufacturing Company, the new heater presages a range of home thermoelectric devices, including refrigerators, air conditioning, and bottle warmers.





THE FLEET THAT RUNS AND RUNS AND RUNS AND SAVES AND SAVES AND SAVES



The 1961 Ford is beautifully built to take care of itself . . .
to cut down on downtime . . . to lift your budget at trade-in time . . .
to keep your business Fleet rolling all the time!

Never before in history has a car been offered to Fleet buyers with such confidence as the 1961 Ford.

In the first place, Ford is the car that is built to take care of itself. It lubricates its own chassis . . . it cleans its own oil . . . it adjusts its own brakes . . . it protects its own mufflers, its body metal and finish.

But that's not the half of it! Ford Dealers take such pride in the quality, design and durability of the 1961 Ford that they led the industry in extending their warranty on their 1961 cars to 12,000 miles or one year, whichever comes first. Your Ford Dealer has the details. Let your Ford Dealer show you this warranty and explain the advantages.

And there's more news! Steering is 25% easier. Trunk space is more accessible, provides more usable room. There are fleet-size interiors, too. Front seats have *thick* foam padding. Passengers are snugly insulated against sound and weather. And, in line with Ford's policy of building cars to better accommodate people, doors are wide . . . entry is easy.

No wonder so many business men are putting their money on the '61 Ford. Its potentially high resale value and unique, new saving ways will mean dollars-and-cents benefits to Fleet owners.

PREFIGURE YOUR FLEET SAVINGS with these '61 Ford takes-care-of-itself features

Chassis lubrication. The '61 Ford will normally go 30,000 miles without a chassis lubrication. Match that against your present lubrication costs.

Oil changes. You can plan on changing oil only at 4,000-mile intervals.

Brake adjustments. Cross this one off your list altogether. New Ford brakes mechanically adjust themselves automatically.

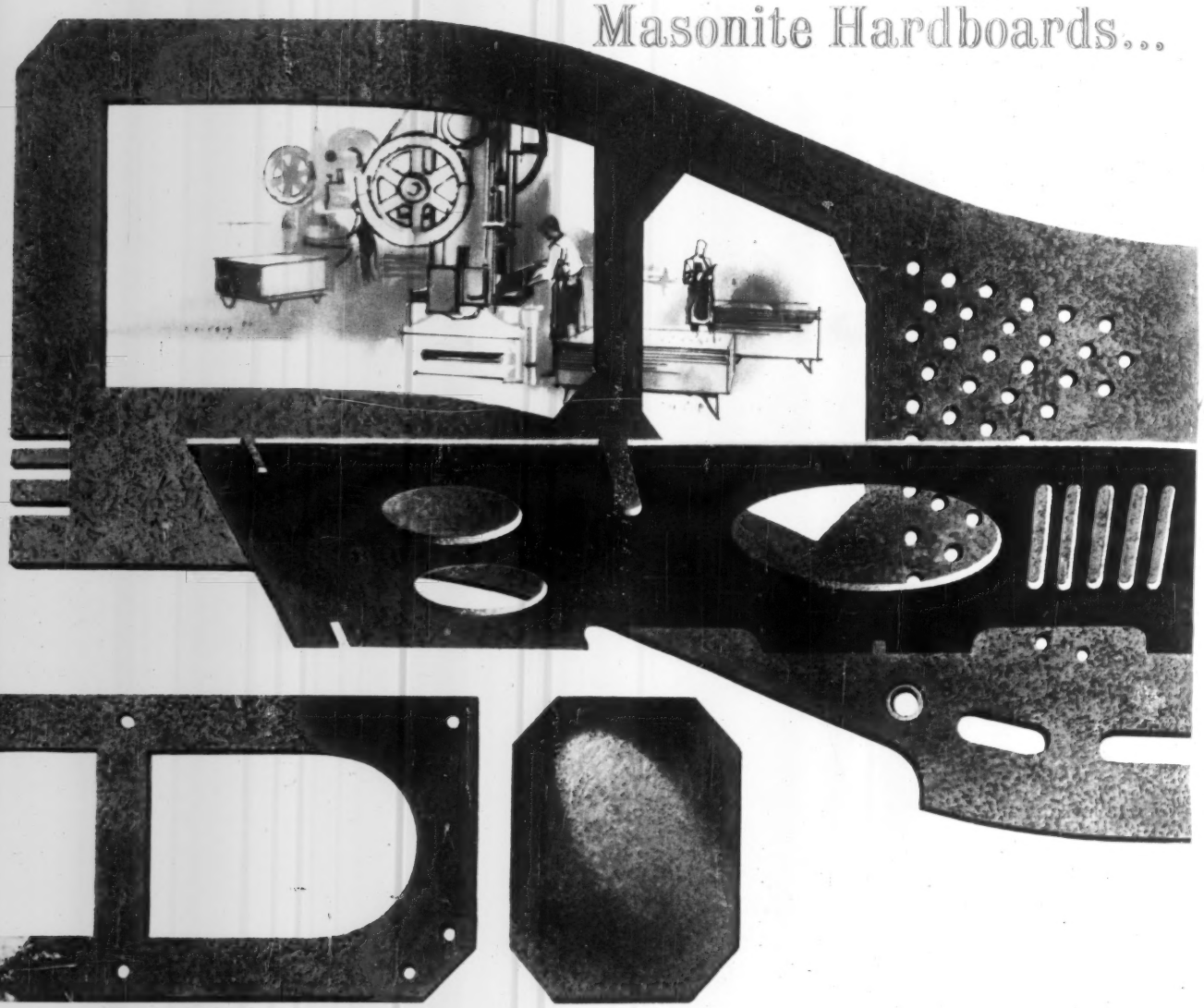
Muffler replacements. Divide the usual muffler expense by three. Ford mufflers are double-wrapped and aluminized and will normally last three times as long as ordinary mufflers.

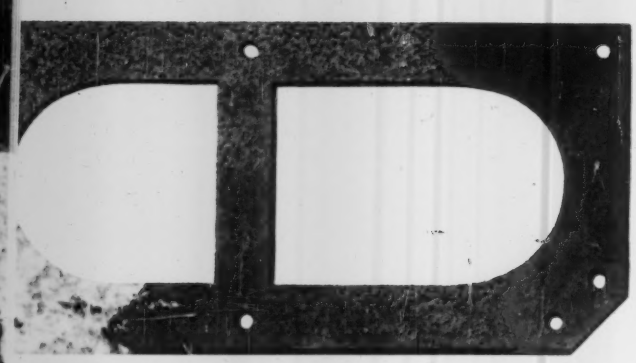
Body corrosion. All vital underbody parts are specially processed to resist rust and corrosion . . . even to galvanizing the body panel beneath the doors.

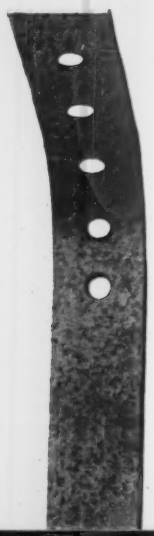
Wax jobs. As an extra dividend, Ford's Diamond Lustre Finish *never* needs waxing.

Beautifully built for economy and lasting value . . . **'61 FORD**

you can do just about anything with Masonite Hardboards...







for example Want something punched? Hi-fi or TV backs? Toys? Display boards? Masonite* hardboard takes irregularly shaped cutouts, slots, mitered corners—any kind of punching—for anything from bowling equipment to batteries. Ideal for blanking, too, no matter what kind of perimeter your workpiece calls for. Any product that requires a hole, a slot, an edge, a corner or a curve is better made with Masonite hardboard.

in fact Masonite fabricators can solve punching and blanking problems ranging up to 250 tons...can handle component parts large or small. And Masonite fabricators build their own tools and dies to fit your specific job requirements; all we need are your blueprints or rough sketches to work with. No offal or waste problems—you buy only the square footage you need to do your job.

MASONITE® CORPORATION

* Masonite Corporation—manufacturer of quality panel products for building and industry

Masonite Corporation
Dept. 4-1, Box 777, Chicago 90, Illinois

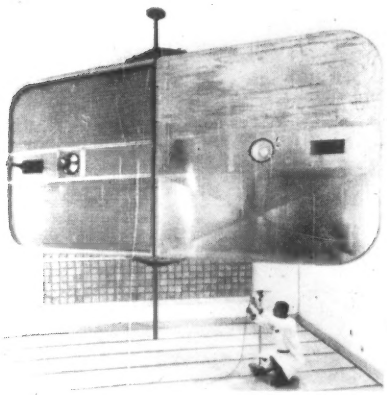
☐ Please send latest design and production information on Masonite panel products.
☐ Please have your sales engineer call.

Name .....

Address .....

City ..... *State* .....

Zone ..... *County* .....



NOISE CUTTER: *This 16-foot vane helps insure the validity of sound absorbency tests on newly developed fiber glass panels at the new Owens-Illinois technical center. Revolving ten times a minute, it prevents standing wave pattern interference.*

York State Department of Commerce, 112 State Street, Albany 7, N.Y. The 280-page directory gives more than 1,000 commercial and private research and testing laboratories, their special research fields, names of executives, and the number of scientists and engineers employed.

Shaky Procedures

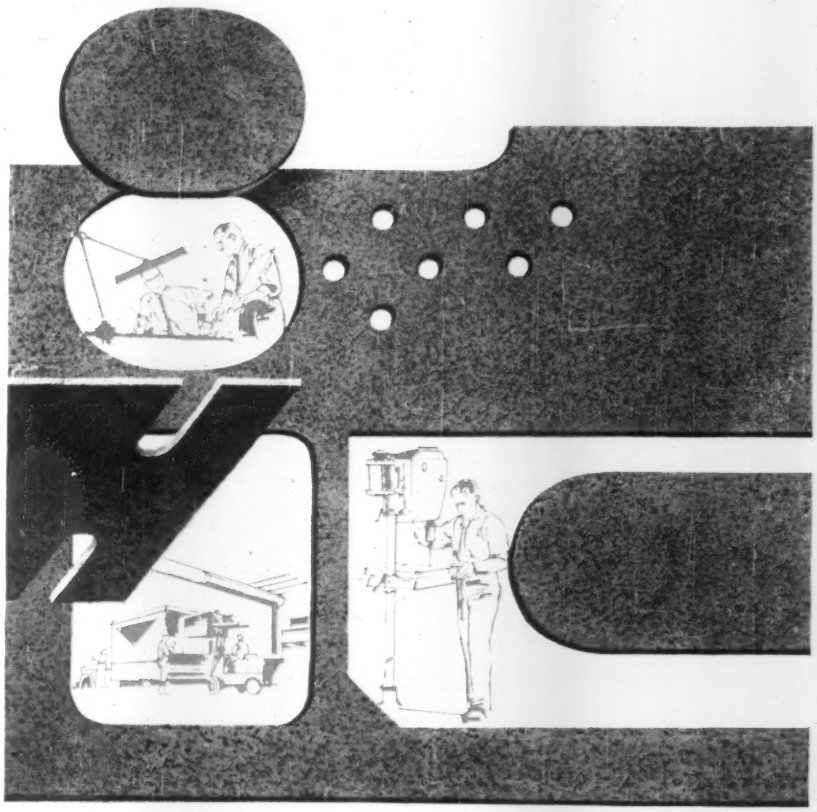
Industry may be cheating itself—or its customers—by following erroneous life-testing procedures in acceptance sampling of parts. This is the conclusion reached by M. Zelen and M. C. Dannemiller of the National Bureau of Standards.

Companies using any of the four most popular acceptance sampling plans, they found, may either be rejecting components that actually have the desired "mean failure time" or accepting components with below-par mean failure time.

New Uses for Wheat Glut?

Discovery of an important new industrial use of wheat marks a fresh approach to the problem of finding productive uses for our food surpluses. The Research Branch of the Canadian Department of Agriculture has discovered that wheat has the ability to absorb different types of gas at different rates, a property which researchers can use in analyzing unknown gases to determine their constituents. —M. M.

...and your fabricator will help you in all these ways:



ENGINEERING

Your Masonite fabricator helps fit the product to your picture. Wherever you now use wood or metal, he'll point the way to substantial savings on material... tremendous savings on tooling!

WAREHOUSING

No inventory problems. Your Masonite fabricator will deliver ready-for-use fabricated parts in any number your job requires—once a week, once a month, you name it. Just contact the nearest address below.

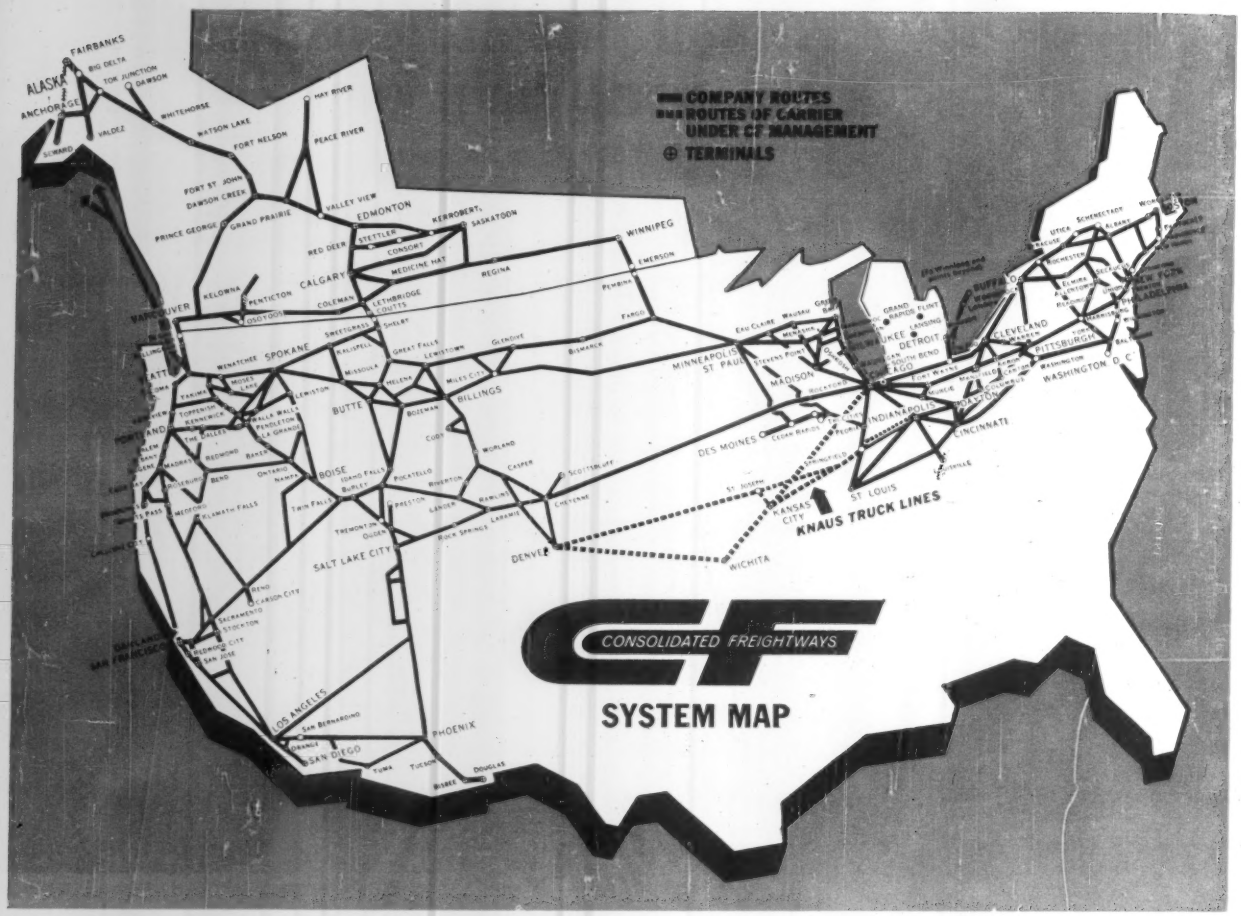
FABRICATING

Your Masonite fabricator has complete facilities for die-cutting, punching, cutting, routing, forming. He provides any number of finishes (including wood graining) and laminates—even partial assembly!

- 2352 Glendale-Milford Rd., Cincinnati, Ohio
- 600 Progress Street, Elizabeth, New Jersey
- 1577 Rio Vista Avenue, Los Angeles, California
- 500 Carolina Avenue, Thomasville, North Carolina

MASONITE® FABRICATORS

®Masonite Corporation—manufacturer of quality panel products for building and industry



City to city... or coast to coast... CF maps a complete service

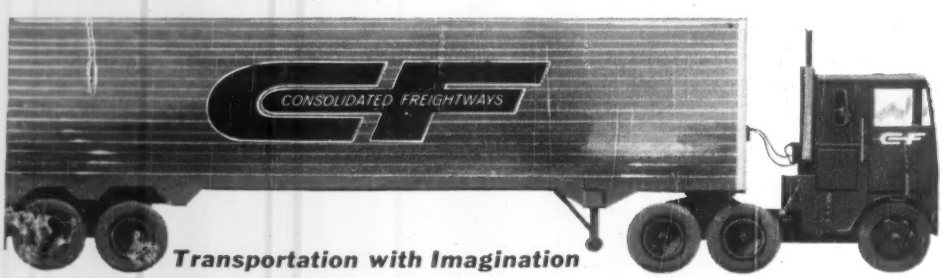
NATION-WIDE COVERAGE—160 company terminals serve nearly every major market in 32 states and 5 provinces of Canada, plus hundreds of smaller communities. Consolidated Freightways International offices overseas assist with import-export traffic. No other motor carrier approaches CF coverage.

CF INFORMATION CENTER—A unique central sales and traffic information service, offering you personal attention on rate studies, traffic and distribution problems, details of CF services.

DAYSAVER SCHEDULES—Express "sleeper" service that can save one or more days between hundreds of points. Overnight delivery on all shorter runs. Radio-dispatch in most large cities.

VERSATILITY — The CF fleet includes virtually every type of hauling equipment—vans, flats, open-tops, reefers, lowbeds, tankers, hoppers, containers, collapsible tanks and bins, moving vans, even cranes. You can be sure CF has the right equipment for the job.

Look for us in the Yellow Pages, or contact the Consolidated Freightways Information Center, Box 32, Chicago 50 Telephone AUstin 7-7003 TWX Bellwood 172



Transportation with Imagination

Capital Views & Previews

PAUL WOOTON

The decisions that business men make today

can affect national policy for years ahead,

says the Senate Foreign Relations Committee chairman

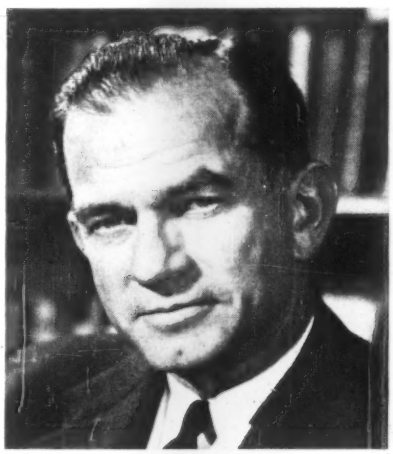
"WITH the lengthening shadow of the hammer and sickle creeping forward through Asia, through Africa and even through the Caribbean," Chairman James William Fulbright of the Senate Foreign Relations Committee believes the nation's most important objective is "to protect those areas from the Red scavengers."

For the first time, he points out, we now have a Communist government in control of a very important country near our shores. He warns that the conditions which led to revolution in Cuba exist in other Latin American countries.

"We must realize that Communism has great appeal to the poverty-stricken," says the Arkansas Senator. "There must be greater economic cooperation in this hemisphere. We particularly need a plan for much more rapid economic and social development in Latin America."

Fulbright emphasizes that we also must pay more attention to the foreign policy implications of our own economic affairs. "Decision-making in America is not confined to government. It involves collective bargaining contracts, investors' decisions, the decisions of buyers and sellers, and of borrowers and lenders. It involves the decisions of local governments, of industrial managers as to what prices they will charge, of farmers as to what crops they will plant.

"The sum of all these thousands of decisions equals national policy. Yet few of the people making them realize their role as policy-makers. They think they are deciding a limited matter with limited consequences."



"We need not emulate the U.S.S.R. to maintain our superiority."

—SENATOR J. WILLIAM FULBRIGHT

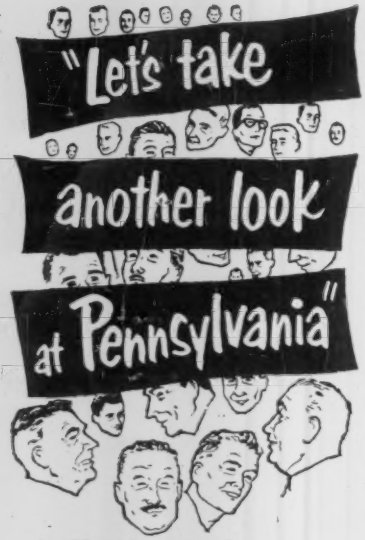
The Senator believes that "we must view our nation not as a series of compartments dividing the interests of business men from the interests of farmers and laborers. We must view our problems and resources as one great whole.

"Nothing, however, justifies the conclusion that the Soviet system is superior to our own. We need not emulate the U.S.S.R. to maintain our superiority." But Fulbright believes we will court disaster if, on the other hand, we underestimate the abilities of the Soviet Union and its satellites in the fields of industrial production, science education, or even in the production of consumer goods. Governing by fiat, they have only to decide what they will emphasize and both society and the economy will be altered to conform to the new goals. In the United States, government cannot play any role unless it has the support of the people.

The chairman of the Foreign Relations Committee predicts that unless the free world pulls together economically, we will not be able to compete with the Soviet bloc, which has eliminated trade barriers from the Baltic and Eastern Mediterranean to the Pacific. To meet the ever increasing pressure of the Communist lands, the free world must coordinate its economic as well as its military and political activities.

The dilemma facing European democracies, Fulbright contends, is just this: "Federate or perish. The task facing America is to help nurture the tentative roots toward federation, like the Common Market, with the object of creating a real European union. Europe and America have enormous resources for survival—indeed for mastery over any challenge hurled our way by the Soviets. Those resources will remain in their present disarray until public men and the publics on both sides of the Atlantic fit them into a grand design for closer union."

Fulbright also believes that the development loan fund should be given adequate resources and authority to plan ahead. "What company could succeed," he asks, "if it were denied the right to plan ahead more than one year? It would not be able to recruit employees more skilled than migratory help! Yet that is the framework into which we force our Government's



...that's what a growing number of industrial executives are saying and doing!

In the past four years they announced:

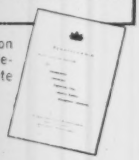
389 NEW PLANTS
391 RE-OPENINGS OF IDLE PLANTS
788 PLANT EXPANSIONS

(Send for the list—address below)

• **They are finding:**
Surplus of industry-minded workers . . . Strategic locations in the great Eastern market with access to major trunk line railroads, and modern highway and Turnpike networks . . . Ports on the Atlantic, St. Lawrence Seaway and Ohio River system . . . All types of industrial raw materials and components . . . 100% low-interest plant financing in labor surplus areas . . . Choice of industrial "parks" and individual plant sites.

Excellent "tax climate"
No state personal income tax—no machinery or inventory taxes—no graduated state tax rates—no direct state property tax—manufacturing activities in Pennsylvania are exempted from capital stock, franchise, and sales taxes.

For free copy of "Plant Location Services" pamphlet, or for details on 100% financing, write or call:



Pennsylvania Department of Commerce
South Office Building
1009 State St., Harrisburg, Pa.
Phone CEdar 4-2912

competitive struggle with the USSR for the allegiance of the peoples of the world.

"Too often, dynamic leaders of big business have regarded the Government as a sort of antagonist always exacting taxes and subjecting them to regulations."

Perilous hopes

Fulbright warns against ill-founded hopes that Russia will collapse from within and save us from unpleasant realities. "There have been no violent upheavals in the Soviet Empire since the ruthless suppression of the Hungarian revolt," he points out. "It is also significant that there are few, if any, Russian scientists who seek asylum in the West. If there are signs of strain in the Russian industrial complex, they are the strains of growth rather than of decline."

Continuing, the Senator says: "I do not overlook the centrifugal tendencies that may develop between the Chinese Communists and the Russians, but it would be wishful thinking to expect an open break between them. Russia had a surprising accomplishment in shattering overnight such an ancient culture as China's. Red China has become the largest ant-hill slave state man ever has known.

The price of survival

"The greatest crisis confronting the West is not Berlin. It is the apathy of the free world and its incomprehensible unwillingness to look facts in the face. Evolution and the survival of the fittest are concepts we understand when applied to plants and animals—but we seem not to realize that these concepts apply to us."

A former college president, Fulbright believes education is one of the most important factors in the combat against Communism. He is convinced we must make greater investment in education to give us the knowledge and skills we will need in the world of tomorrow.

"More education today," says Fulbright, "will give America the skills and the knowledge essential to survival tomorrow. As things now stand, there is no particular incentive for young people here to exert themselves for the sake of intellectual attainment. This drive by the Russians to cultivate to the utmost their intellectual resources is the most serious challenge we have to meet."

END

This Hopper on your truck

CAN CUT HANDLING COSTS 50%

One man with a lift truck can cut handling time and effort in half with Roura *self-dumping* hoppers. Pull a latch and the Hopper *automatically* dumps itself, rights itself, locks itself. Thousands are now in use handling scrap metal, hot forgings—*any* bulk material or component parts. Eight sizes, ½ to 4 yards capacity—made of steel plate, stainless or galvanized. Standard models shipped from stock.

ROURA *Self-Dumping* **HOPPER**

WANT MORE DETAILS? Just clip this coupon to your letterhead and mail to
ROURA IRON WORKS, INC.
1404 Woodland Ave., Detroit 11, Michigan

WHY NOT EXPORT YOUR PRODUCT?

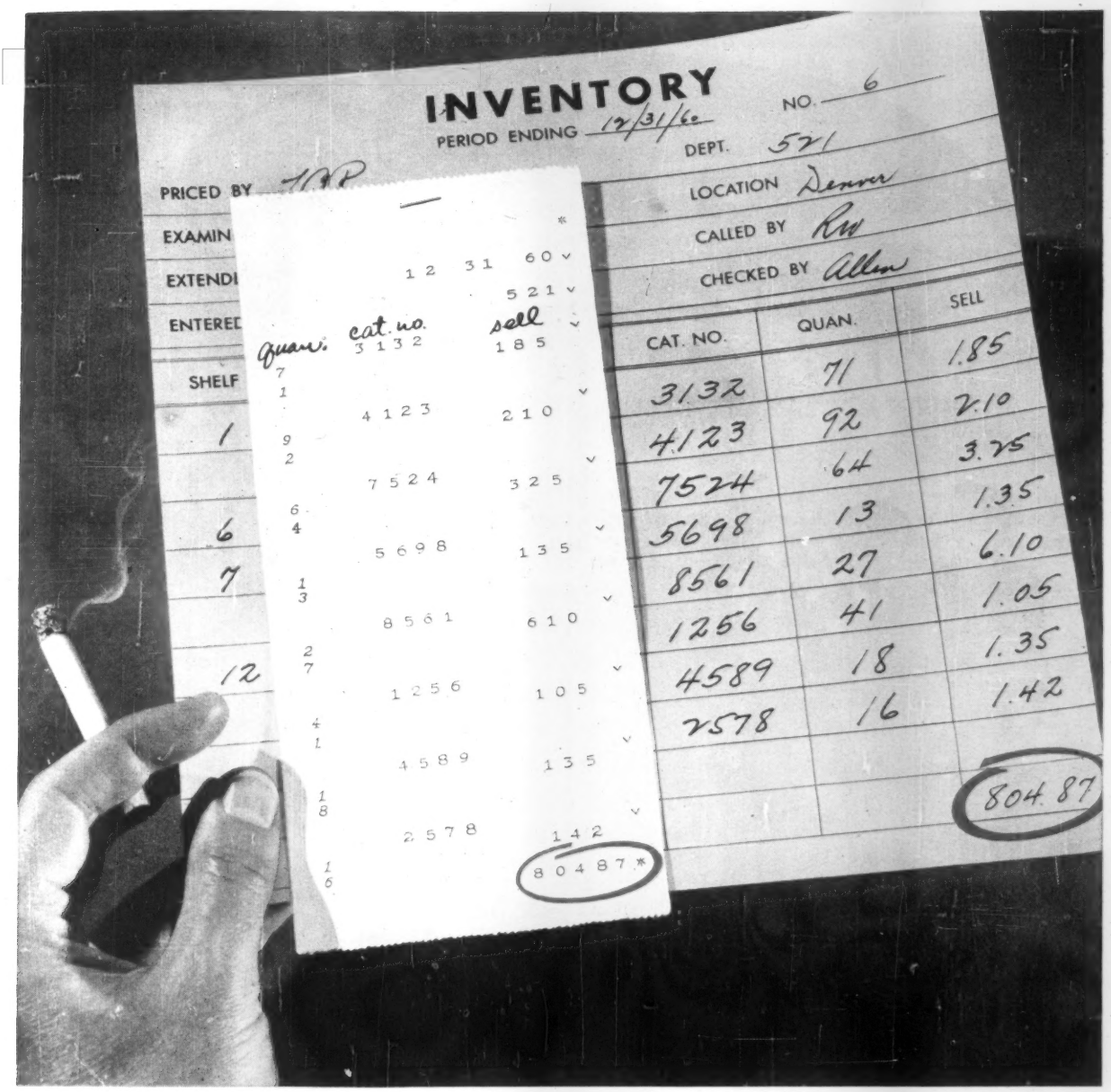
successful, long-established exporter can help you cash-in on overseas markets

Have you thought about export trade for your own product? Or how about a small foreign affiliate? Here is a vast market with millions of buyers that you can easily tap.

The James S. Baker Co. with trained personnel—a long-established and successful exporter—will serve as your money-making export department.

Write today in complete confidence for full details.

James S. Baker Co.
311 California St., San Francisco 4

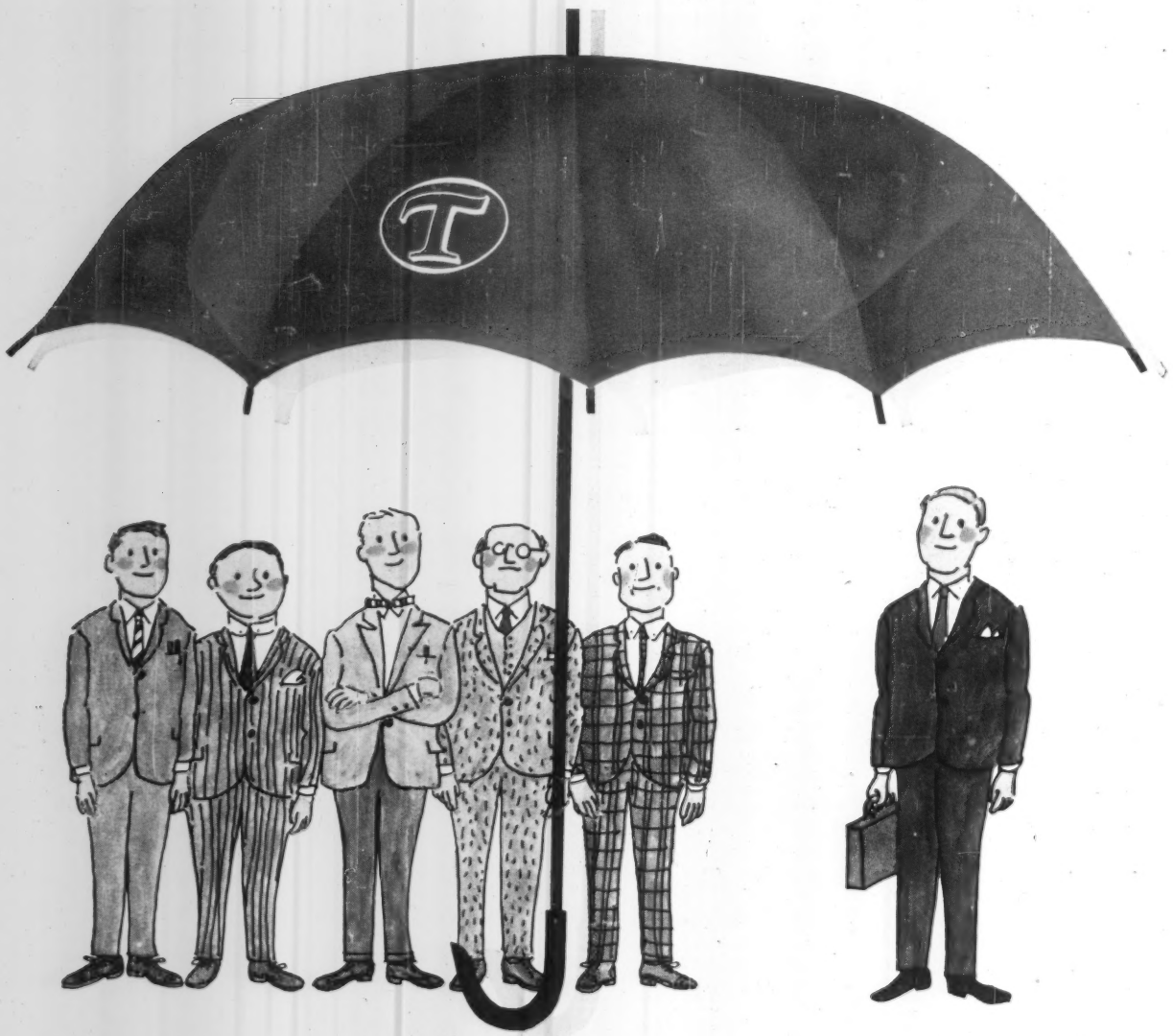


Tape on an Inventory!

Convincing way to substantiate facts with clearly printed proof

Only a Remington Rand "99" can print a tape like this! It reads from top to bottom as easily as the final inventory sheet based on it . . . date, department, catalogue numbers, total! A tape anyone can understand—today or next year—no matter how complicated the problem. Why? Because the "99's" exclusive Control Key eliminates confusing figures . . . actually makes operation simpler. For complete information call your nearest Remington Rand Office or write Room 120-DR, Remington Rand, 315 Park Avenue South, New York 10, N. Y.

Remington Rand
DIVISION OF SPERRY RAND CORPORATION



Add this personnel counselor to your staff... but not to your payroll!

He's a trained, experienced Travelers insurance advisor, ready to go to work in your firm for you and your employees. But he won't cost you a cent!

This is The Travelers famous Employee Security Service, used by more than 2500 companies in the United States and Canada. It works like this:

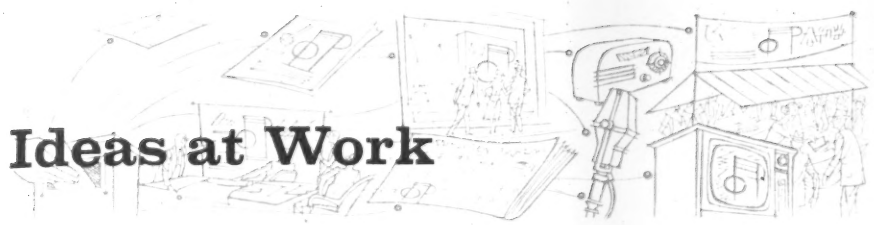
A special Travelers representative, working at a desk you assign to him, has the job of serving the personal insurance needs of your people—at your convenience and theirs, of course.

He shows them how benefits from Social Security and your company insurance fit into their pattern of personal protection. If they need additional life or accident and health insurance, he can supply it from a portfolio of policies designed especially for Employee Security Service. And premiums are paid by salary deduction.

The result: your employees have the security they want and need—a big step toward the high employee morale every employer seeks.

P. S. The new V.I.P. plan is the kind of unique policy offered by The Travelers as part of E.S.S. Ask your Travelers man about it.

THE TRAVELERS
Insurance Companies HARTFORD 15, CONN.



Ideas at Work

What is Thine—

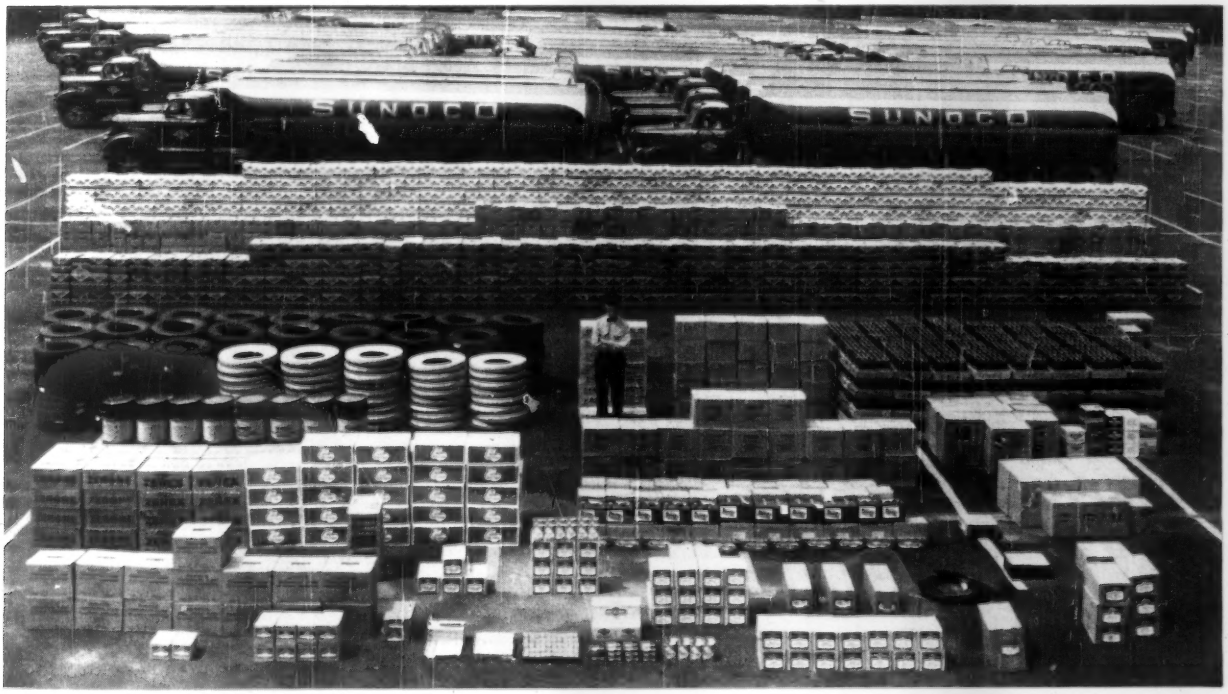
✓ *Keeping the company's property on the premises*

✓ *Military planning for new market invasion*

Some call it "shrinkage" and others call it "stealing," but there is no doubt that all business men are concerned about the ease with which company property strays into some employees' homes. Norman Jaspan, author of *The Thief in the White Collar*, estimated last month that the hardware industry alone loses over $90 million a year just this way.

One company which found an effective remedy for light fingers has now begun to share the preventive medicine it developed. Swingline, Inc., manufacturer of office staplers, discovered that its products had an overwhelming appeal for its employees. Many felt they were only "borrowing" a stapler or two or three to use when—on rare occasions—they did company work at home. Investigating the problem, a management committee, headed by the company psychologist, learned that the manufacturer's concern was even considered a bit unreasonable. After all, what are a couple of borrowed staplers against the millions Swingline sells each year?

Needless to say, the company was not impressed by such ingenious logic. As a gentle reminder of its rights, it began imprinting "Property of Swingline" on the staplers used within the organization.



EXCLUSIVE DEALERSHIP: *Sun Oil Company gives its dealers a graphic reminder of the scope of their business and the volume they can handle. Here Sunoco service station owner Ted Delaney is surrounded by the products he sold during 1959, plus the gasoline in 68 tractor trailers. In Walpole, Mass., a mill town with a population of 13,000, Delaney grosses close to $150,000 annually—$70,000 more than the average dealer in his line. Notes Sun Oil: "To battle price slashers, he stresses convenience, product quality, and service, checks rivals' specials and volume."*

MAGLINER MOBILE LOADING RAMPS go where you go . . . provide a loading dock *where* you need it, *when* you need it! Magnesium-light construction for easy one man handling—anytime, anyplace. The result: easier work, happier men . . . *lower cost loading*! If you load or unload trucks or railcars from ground level, you'll want a copy of Magline's Bulletin—"Everyday Ground-Level Loading Problems and How to Solve Them."

Write Today for Bulletin DB-211

Magline Inc.,
P. O. Box 1512,
Pinconning, Michigan

OF DURABLE
ACRYLIC PLASTIC

FOR THE SUCCESSFUL BUSINESS LOOK!

What Does Your Business Front Say About Your Company . . . Your Products . . . Your Service? The sign on your building is your "business card" to potential customers. No matter what you make or sell—a good front is an important business asset . . . and Plasticles Sign Letters give your business distinctive, personalized identification that will be *looked up to* and remembered.

The Right Sign is Important—Choose sign letters that beautify your building . . . that add prestige to your business. Plasticles Corporation manufactures a wide variety of designs and color combinations to choose from.

Send Coupon for Illustrated Bulletin

Find out how you can identify your business with colorful Plasticles Sign Letters. Guaranteed not to fade, chip or crack. Get complete information on "what to look for when buying sign letters."

PLASTICLES CORPORATION
14588 SCHAEFER ROAD · DETROIT 27, MICH.
Mail Illustrated Sign Bulletin to . . .

Name_____

Address_____

City_____ Zone____ State_____

REPRESENTATIVES IN PRINCIPAL CITIES

Within three months, shrinkage had been cut over 40 per cent. Realizing that the problem of pilfering is anything but unique, Swingline then offered its solution to customers—without charge. Staplers used by such organizations as U. S. Steel, General Motors, Ford Motor Company, and RCA now bear a "property of" imprint. The cost to Swingline is negligible, and many of its customers are so impressed with the effects of the simple phrase that they are marking other office equipment, to remind employees just what belongs to whom.

Attack in Depth

Market development at the International Nickel Company, Inc., has taken on military precision, and the company's top brass (if INCO will pardon the expression) feels confident that its new strategy has captured a significant part of the first market at which it took aim.

INCO set its sights on the kitchen—more specifically, on the kitchen sink—back in October 1958. Preliminary surveys had revealed not only a potential for increased use of nickel stainless steel, but areas of resistance among distributors, builders, and customers as well. When the company's "Task Force No. 1" was formed, it knew right where to concentrate its most potent fire.

A well-coordinated, simultaneous campaign was launched in 1959. Personal calls were made on architects, home builders, kitchen designers, cabinet manufacturers, supply houses and plumbers. On the air, in the press, and by direct mail, INCO laid on a barrage of advertisements, directed at both trade and public, for the nickel stainless steel sink. The company's research laboratory at the same time started corrosion tests of various types of stainless steel under simulated use environment.

The task force is directed by an executive who was given specific responsibility for the project. The group is allowed priority call on the services of all company departments and is shielded from distraction by eliminating, wherever possible, all duties and activities not directed toward its goal.

The objective set was 25 per cent of the stainless steel sink market by 1965. INCO recently announced that it had already won 15 per cent of the market. With four years left to handle any real pockets of resistance, it

looks as if "Mission Accomplished" will be the company password when the target date rolls around.

With Their Own Eyes

American industry is today engaged in a wide-scale effort to make its workers competition-conscious. Plant displays of other companies' products and house organ stories that play up the survival of the fittest are standard fare. But it remained for the Texas plant of an international furniture and bedding manufacturer to find a way of getting its employees right into the bustle of the marketplace, where they could compare the products they'd made with others, under conditions that highlighted both good points and bad.

When Flexsteel Industries, Inc., was exhibiting earlier this year at a home furnishings trade show in Dallas, it named over 100 employees in its Waxahachie factory "Dealers for a Day." Technicians and factory workers—nearly a third of them women—were brought to the show by chartered bus. They mingled with buyers from all over the Southwest, listening to any complaints offered and comparing Flexsteel furniture with that from competing companies.

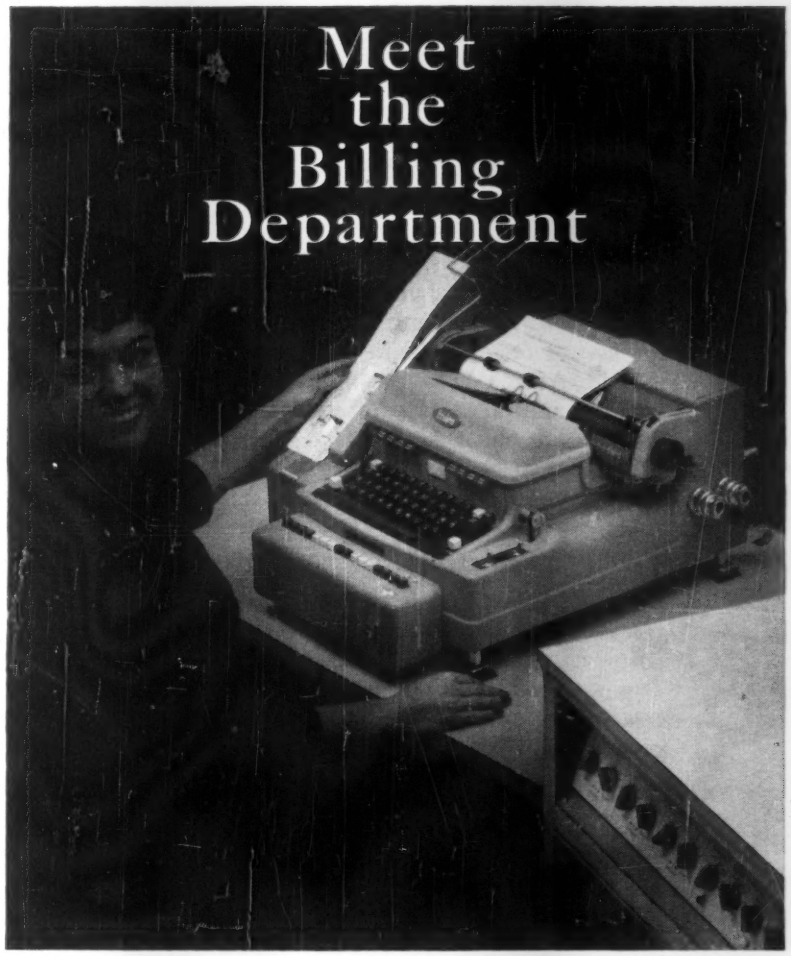
According to Art D. Richardson, vice-president and general manager of the Waxahachie plant, the amateur dealers returned home with:

- increased pride in their work
- greater awareness of the facts of competition
- intense company "team spirit"
- new standards of production quality
- heightened sensitivity to dealer and consumer demands.

Link in a Long Chain

To employees who have been asking for more work and a chance to put in some overtime, Ed Vetter, manager of Metals & Controls, division of Texas Instruments, Attleboro, Mass., offers a straightforward answer.

Under the title "How's Business?" Vetter gives readers of the division magazine a runthrough of conditions in customer industries, covering present and predicted production and the labor situation—including strikes and layoffs—in each field, and Metal & Controls' degree of dependence on each source of orders. It makes adult, persuasive reading. —P.H.D.



This is a Friden Model CTS Computyper.® The girl who runs it can turn out an amazing number of invoices and still have one of the easiest jobs in the office. Together, she and the machine comprise a complete billing department.

Utilizing edge-punched cards which contain constant data, the CTS writes the heading and line items at a speed of 100 words per minute. It stops automatically to let the operator fill in order number and item quantity. Extensions, discounts, tax computations, and totals are figured and typed on the invoice automatically. Grand totals are stored in the machine and may be printed at any time.

As the invoices are prepared, the CTS automatically punches selected information into a by-product paper tape for subsequent data processing such as direct conversion to tab cards. Or, the CTS itself may directly control punching of tab cards as *another* automatic by-product.

We call this PRACTIMATION: automation so hand-in-hand with practicality there can be no other word for it. For complete information, call your Friden Systems Man or write: Friden, Inc., San Leandro, California. ©1960 FRIDEN, INC.

Friden Creates A New World For Business®

Friden

SALES, SERVICE AND INSTRUCTION THROUGHOUT THE U. S. AND THE WORLD

You wouldn't build half an airliner . . .

Like an airliner, a business transaction isn't worth much until it's completed . . . when your invoice is paid. After you've made the sale and the shipment, AMERICAN CREDIT INSURANCE helps you finish the job . . . *completes* your profit cycle . . . *protects* your capital investment in accounts receivable.

The one thing that permits *deeper* market penetration is security . . . the security of commercial credit insurance. AMERICAN CREDIT INSURANCE facilitates sales progress . . . helps you *add more* new customers, *sell more* to present customers . . . by elevating lines of credit with security and stability.

Is *your* credit insurance coverage up-to-date?

Extend your market penetration . . . your profit protection . . . with

American Credit Insurance

A C I

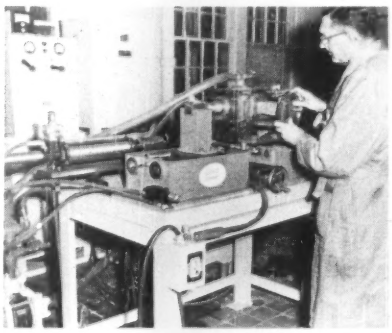
. . . commercial credit insurance exclusively since 1893

Call your insurance agent . . . or our local office. Send for informative booklet on the many sound advantages of modern credit insurance. Write AMERICAN CREDIT INDEMNITY COMPANY of New York, Dept. 50, 300 St. Paul Place, Baltimore 2, Maryland.

New Product Parade

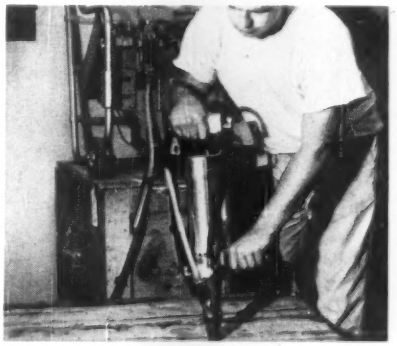
Shaping metals without machining; executive transit.

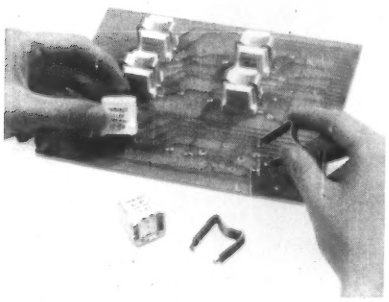
ELECTROLYTIC SHAPING: A new process shapes metals by electrolysis rather than machining. Metal is removed by passing current between the rough workpiece, an electrolyte, and preshaped electrodes. The current dissolves the surface to the desired shape. *"Sifco Shape," Steel Improvement and Forge Company, 970 E. 64th St., Cleveland 3.*



MANAGEMENT MOBILITY: This comfortably appointed touring coach doubles as a mobile office and living quarters for executives. Equipment ranges from office facilities to sleeping accommodations. For travel in remote areas, the coach has a second engine which operates a 5,000-watt generator. *"O-319," Mercedes-Benz Sales, Inc., South Bend, Ind.*

NAILER: This new portable nailer drives 120 8-penny nails per minute. The air gun will drive nails flush or countersunk in a single blow. To fire, the gun is pressed firmly against the work surface. The machine is designed not to jam, double-feed, or feed nails head-first from the hopper. *"Powa-sert," United Shoe Machinery Corp., 140 Federal St., Boston 7.*



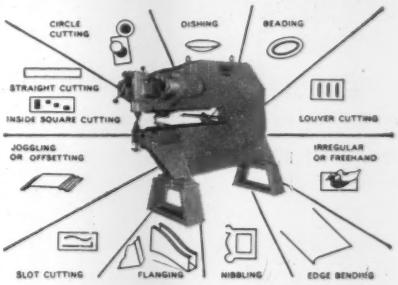


NO SPRINGS ATTACHED: These new relays for printed circuit boards employ permanent magnets in place of springs to control armature movement. When an electromagnetic force opposes the permanent magnet, the armature spins, making direct contact with the printed circuit. *"Printact," Executone, Inc., 47-37 Amstell Place, Long Island City 1, N.Y.*

A COMPLETE SHEET METAL SHOP IN ONE MACHINE

PULLMAX

DOES ALL OF THESE OPERATIONS



★ CUTS MILD STEEL UP TO 13/32"

The one machine that's sure to save time, labor and material when you work sheet or plate. Eliminates expensive die costs—easy to operate. 8 sizes to choose from.

Write for free catalog on Metalworking Ideas.

. . . 16 m.m. Sound Film

. . . or a demonstration right in your plant.

AMERICAN PULLMAX COMPANY, INC.
2483 N. Sheffield Ave., Chicago 16, Ill.
Pullmax (Canada) Limited, P.O. Box 460
S. Service Rd., Oakville, Ontario

SUBSCRIPTION ORDER FORM

DUN'S REVIEW and Modern Industry
99 Church Street
New York 8, N.Y.

Enter my subscription for one year. I will pay $5 when billed (USA, Possessions, and Canada; elsewhere $10). Send to -

Name

Title

Company

Street Address

City Zone State 12-60

Now, Railway Express Agency
has a new name for the
most complete shipping
services in the world...
R·E·A EXPRESS

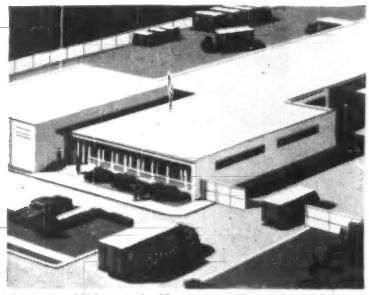
New name, new methods and equipment, new low rates, and a new company-wide spirit! That's REA Express—ready, eager and able to provide you with its many services.

REA Express is the national and world-wide *rail-air-sea-highway* service of Railway Express . . . the simplest way to ship. You deal with just *one* carrier—REA—all the way from origin to destination.

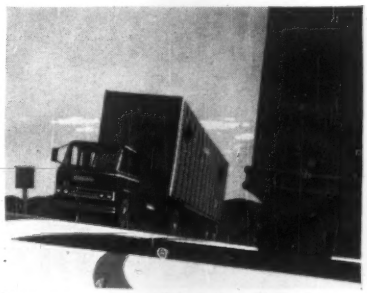
You can ship anything, anywhere, any time via the REA network of domestic and international surface and air services. Nationwide coverage to 23,000 communities in the U.S. No charge for door-to-door delivery (within published limits).

New low express rates are in effect on many, many commodities. Now you can ship at rates that are comparable to—in many cases lower than—rates via parcel post and other so-called "low-cost" carriers.

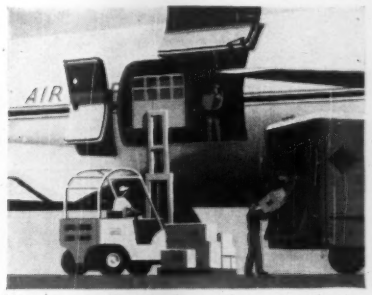
Service? No other organization can match REA—it's *complete!*



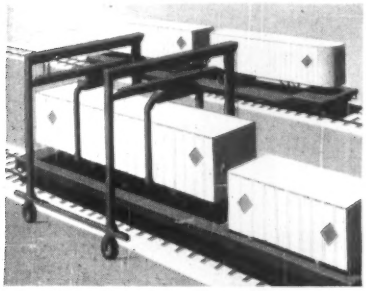
Multimillion-dollar modernization. This new "key-point" terminal is typical of REA's investment in new services and new ways to serve you better.



New over-the-road truck routes. Many new REA Express trucks supplement rail service, insure speed and frequency for intercity shippers.

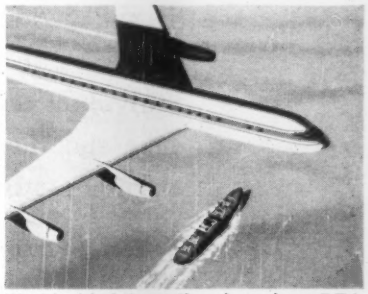


New coordinated surface and air freight service enables you to combine air freight speed with fast REA pickup and delivery.



Containerized cargo handling, piggyback shipping. New REA methods minimize handling, simplify transfer, save time and costs, speed delivery.

Air Express. This priority, low-cost air service of REA and the airlines spans the U.S. with pickup and delivery by special Air Express trucks.



World-wide international services. REA customhouse brokers clear your shipment fast, speed it by air—or surface on REA's through bill of lading.

Special new low rates on these and many other commodities:

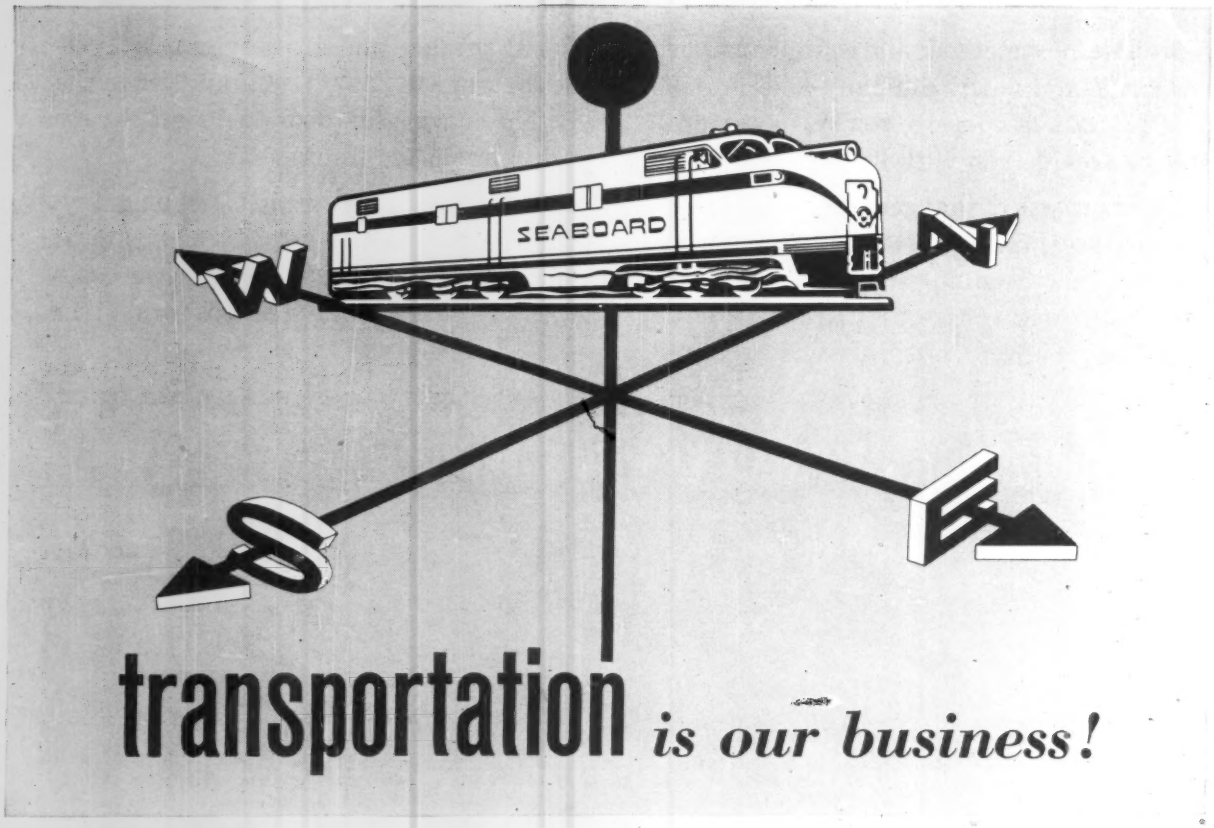
- Farm implements and parts
- Rugs and carpets
- Books and printed matter
- Shoes and other footwear
- Wearing apparel
- Automobile, truck and trailer parts
- Piece goods
- Curtains and draperies
- Sheets, towels, tablecloths
- Photographic equipment and supplies
- Hand tools

This is only a partial list applying between all points . . . call your local REA office if *your* commodity is not included here. If it *is*, call for the complete rate story—it will show you big savings.

RAILWAY EXPRESS AGENCY®

RAIL • AIR • SEA • HIGHWAY

SHIP ANYTHING · ANYWHERE · ANYTIME VIA **R·E·A EXPRESS**



transportation *is our business!*

To the men and women of Seaboard, the phrase "transportation is our business" has a *personal* meaning, calling for individual thought and initiative, both in obtaining business and then in following through to provide complete shipping satisfaction.

When you route S.A.L., you put your freight in the hands of people who appreciate it and who are determined to keep you as a steady customer. Backing them up is a modern railroad, geared to meet every shipping need. Make Seaboard *your* way to and from the growing Southeast.

Piggyback is one more development in Seaboard progress. Now available between our on-line points and Northern cities.

SEABOARD
AIR LINE
RAILROAD

THE ROUTE OF COURTEOUS SERVICE

Advertising Index

A

Alva Allen Industries ... 72
Cooper Advertising Agency
American Credit Indemnity Company ... 90
VanSant, Dugdale & Co., Inc.
American Pullman Co., Inc. ... 91
Grimm & Craigle, Inc.
American Savings and Loan Association ... 46
The Ralph Yambert Organization
American Telephone & Telegraph Co. ... Cover III
N. W. Ayer & Son, Inc.
American Telephone & Telegraph National Yellow Pages Service ... 4
Cunningham & Walsh, Inc.

B

James S. Baker Co. ... 84
Oliver F. Smith Advertising
Bankers Box Company ... 42
Frank C. Jacobi Advertising, Inc.

C

Chase Manhattan Bank, The ... 19
Albert Frank-Guenther Law, Inc.
Chevrolet Motor Division—General Motors Corporation ... 24–25
Campbell-Ewald Company
Consolidated Freightways, Inc. ... 82
Fletcher Richards, Calkins & Holden, Inc.
Corry-Jamestown Corporation ... 52
Ketchum, MacLeod & Grove, Inc.

D

Dictaphone Corporation ... 54
Young & Rubicam, Inc.
du Pont, E. I., de Nemours & Company ... 20
Batten, Barton, Durstine & Osborn, Inc.

E

Eastern Express, Inc. ... Cover II
Kuttner & Kuttner, Inc.
Executone, Inc. ... 60–61
G. M. Basford Company

F

Ford Motor Company ... 44–45, 64, 79
J. Walter Thompson Company
Friden, Inc. ... 89
Richard N. Meltzer Advertising, Inc.

G

Gilbert Paper Company ... Cover IV
Frank C. Nahser, Inc.
Graphic Systems ... 72
Caswell Advertising Agency

H

Haloid Xerox, Inc. ... 40
Hutchins Advertising Company, Inc.
Hill, R.O.H., Inc. ... 42
Richard Carland Advertising, Inc.
H-O-N Company, The ... 56
Clem T. Hanson Co.
Hydroway Scales, Inc. ... 46
Sales & Merchandising Counsellors

I

International Nickel Company, Inc., The ... 76
McCann-Marschalk Co.
Irish Industrial Development Authority ... 75
The Caples Company
Iselin, William, Co., Inc. ... 15
Briggs & Varley, Inc.

K

Kelley Company, The ... 8
Maercklein Advertising

L

Lathem Time Recorder Co. ... 22
Adams-Allison Co., Division of Burke-Dowling-Adams, Inc.

M

Magline, Inc. ... 88
Rossi and Company
Manifold Supplies Co. ... 96
Faulkner Advertising, Inc.
Masonite Corporation ... 80, 81
The Buchen Company
Moore Business Forms ... 69
N. W. Ayer & Son, Inc.
Muzak Corporation ... 6
Geyer, Morey, Madden & Ballard, Inc.

N

National Truck Leasing System ... 12
W. S. Kirkland
New York Central System ... 23
Robert Conahay, Inc.
Norfolk & Western Railway ... 73
Houck and Company, Inc.

O

Office Products, Inc. ... 68
Sales & Merchandising Counsellors
On Mark Engineering Company ... 53
MacManus, John & Adams, Inc.
Oxford Filing Supply Co., Inc. ... 5
Kelly Nason, Inc.

P

Pennsylvania, Commonwealth of ... 84
Backman, Kelly & Trautman, Inc.
Philco Corporation, Government & Industrial Group ... 50
Maxwell Associates, Inc.
Pitney Bowes, Inc. ... 13, 67
L. E. McGivena & Co., Inc.
Plasticles Corporation ... 88
Rossi and Company
Post, Frederick Co. ... 47
Howard H. Monk & Associates, Inc.

R

R. E. A. Express ... 92–93
Benton & Bowles, Inc.
Reading Railroad, Industrial Development Department ... 78
The Richard A. Foley Advertising Agency, Inc.
Remington Rand Division of Sperry Rand Corp. ... 9–10, 11, 43, 62, 71, 85
Gardner Advertising Company
Rock Island Lines ... 16
Aubrey, Finlay, Marley & Hodgson, Inc.
Rollins Leasing Corporation ... 2
Walter S. Chittick Company
Roura Iron Works, Inc. ... 84
Marsteller, Rickard, Gebhardt & Reed, Inc.

S

Schenley Industries, Inc. ... 26
McCann-Erickson, Inc.
Seaboard Air Line Railroad ... 94
The Caples Company
Shaw-Walker Company ... 59
J. Walter Thompson Company
Southern California Edison Co. ... 96
Doremus & Company
Sugar Beet Products Co. ... 55
Church and Guisewite Advertising, Inc.

T

Tecnical Service, Inc. ... 17
Parker Holden
Tel-A-Story, Inc. ... 96
Warren & Litzenberger
Texaco, Inc. ... 74
G. M. Basford Company
Townsend Company ... 66
Bond & Starr, Inc.
Travelers Insurance Co., The ... 86
Young & Rubicam, Inc.

U

Union Pacific Railroad ... 3
The Caples Company
United States Steel Corporation ... 48–49, 65
Batten, Barton, Durstine & Osborn, Inc.

W

Wagner Electric Corporation ... 68
Arthur R. Mogge, Inc.
Watson Manufacturing Co., Inc. ... 18
Griffith & Rowland

Z

Zeolux Corp. ... 68
De Perri Advertising, Inc.

Other DUN & BRADSTREET *publications:*

MILLION DOLLAR DIRECTORY
METALWORKING DIRECTORY
INTERNATIONAL TRADE REVIEW
BOATING DIRECTORY

ADVERTISING SALES STAFF

EAST:

New York 8, 99 Church St., DIgby 9-3300 ... George Maturniak, Bert Berne, Tom Navin, Joseph F. Bernard, Jr., James T. Monahan

Philadelphia 2, 3 Penn Center Plaza, LOcust 8-3500 ... Alvah B. Wheeler

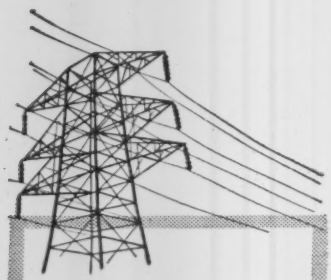
WEST: John Krom, Western Sales Manager

Chicago 6, 300 W. Adams St. RAndolph 6-8340 ... John Krom, Ralph O. McGraw, August F. Blaha

Cleveland 13, 635 Terminal Tower, TOwer 1-3520 ... Harry O. Andrews

Detroit 26, 1100 Cadillac Tower, WOodward 1-3764 ... Carl Neppach, Jr.

Los Angeles 14, 610 S. Main St. MAdison 2-2141 ... Walter Huckins



Southern California Edison Company

DIVIDENDS

The Board of Directors has authorized the payment of the following quarterly dividends:

ORIGINAL PREFERRED STOCK
Dividend No. 206
65 cents per share;

CUMULATIVE PREFERRED STOCK, 4.32% SERIES
Dividend No. 55
27 cents per share.

The above dividends are payable December 31, 1960, to stockholders of record December 5. *Checks will be mailed from the Company's office in Los Angeles, December 30.*

P. C. HALE, *Treasurer*

November 17, 1960

Edison

Panama-Beaver

Carbon papers
Inked ribbons
Unimasters

Coast to Coast Distribution
MANIFOLD SUPPLIES CO.
Brooklyn, New York

WHAT KIND OF VISUAL SALES JOB DO YOU HAVE IN MIND?

We have automatic projectors for point of sale and trade shows. We have desk top viewers for both slides and film strips — with or without sound, designed with your salesmen in mind.

For information, write Dept. D-12
TEL-A-STORY, INC., Davenport, Iowa

The Reviewing Stand

Meeting the New Year

This is the season of quotas, budgets, and projections. It is also the moment when short-term arrogance pushes aside long-term contemplation. Man loves the prospect of tranquillity, but he spends much of his time conjuring up the excitement of future challenges, problems, obstacles, and setbacks, most of which never happen.

Shadow-boxing with the uncertainties of the future is a favorite indoor sport of management, and within limits it has its benefits. But the manager who invites the worries of tomorrow to attack him like a cloud of gnats is invoking double trouble. Most of us live at least partly in the future, but some excessive worriers die in the future without obtaining the obvious compensations of the present.

Fortunately, none of us has an infallible sense of prophecy. The excitement of the future is its uncertainty. A sure thing offers no challenge and no real satisfaction.

Natural Growth

To encourage the growth of a seed the sun pulls and the earth pushes, and the pull-push power results in the fruit and the flower.

This is nature's formula, and it offers a better method than the synthetic expansion scheme of the "growth by edict" economists who want to use pills, pressure, and force-feeding to stimulate the rate of growth in the economy.

Consumption, not productive capacity, is the controlling factor in growth. With the population of young consumers bursting on us like an avalanche in the '60's, why not let nature suggest the remedy to any minor pulsation in the economy? The machine with its productive capacity is still the servant of our needs. It should not be allowed to become a tyrant over our judgment.

Hazard or Opportunity?

In a recent D&B survey of 1,225 larger businesses, of which two-thirds were manufacturers, foreign competition—particularly in the form of imports from countries enjoying low labor costs—was listed as the principal obstacle to profits. The economic pinch is painful, and there is no easy answer to the complaint. Shall we raise the sluice gates higher and tighten quota restrictions? Or shall we compete more vigorously through improved technology and productivity and better marketing methods?

Despite the complaints of domestic manufacturers, our export sales are up substantially—and many import sales represent indirect profits to manufacturers who are combining their raw material and processing activities at home and abroad.

Trade is a two-way street, full of chock-holes, detours, and booby traps. Our cost-of-living plateau is slowly losing relative altitude as Western Europe lifts the wages of its workers, but industrial Asia lags far behind with its wage rates.

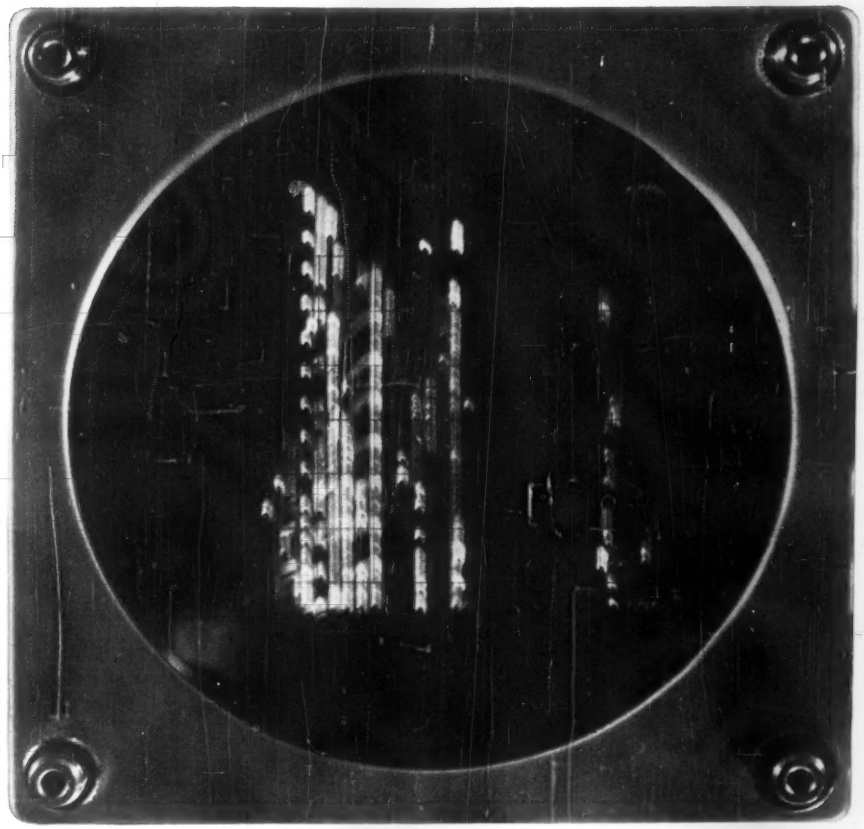
It is even possible that the period of adjustment may be another decade, but we cannot hide indefinitely behind a tariff wall which dulls and weakens the competitive instinct so vital to survival.

Regardless of our difficulties, there are four basic requirements if we are to meet foreign competition at home and abroad:

1. A current and detailed knowledge of all overseas markets.
2. Continuing, specific information on trading advantages and handicaps.
3. A well-integrated distribution set-up of dealers, agents, and service representatives.
4. More linguistic skill and a better understanding of foreign ways and customs on the part of American business travelers.

—A.M.S.

PICTURE OF TELEPHONE CALLS BEING HANDLED A REMARKABLE NEW WAY



Bell System's new Electronic Central Office (now being tested) forecasts a startling variety of useful new telephone services

The oscilloscope screen above gives you an idea of how telephone calls will some day be handled—*electronically*—by a remarkable new system.

A screen like this is monitoring experimental Electronic Central Office equipment which we recently began testing in Morris, Illinois. The "pips" of light you see on the screen represent the system's thought processes as it puts calls through, while checking itself constantly for errors.

This test is very significant, because the future Electronic Central Office will let your telephone do pretty nearly anything you want it to.

For example, you may be able to dial a three-way phone conversation right in town . . . or have your calls automatically transferred to a friend's house where you're spending the evening . . . or ask the Office to keep after a busy number and make the connection as soon as it's free.

These are just a few of the many services this new switching system could make possible.

"It looks in the back of the book"

An engineer at Bell Telephone Laboratories uses this comparison to dramatize the difference between the Electronic Central Office and previous switching systems:

"Suppose," he says, "that two students are trying to find the square root of 841. One is doing it the hard way, figuring with paper and pencil. The other just reaches for an engineering handbook, flips to the right place and looks up the answer, 29, in the tables.

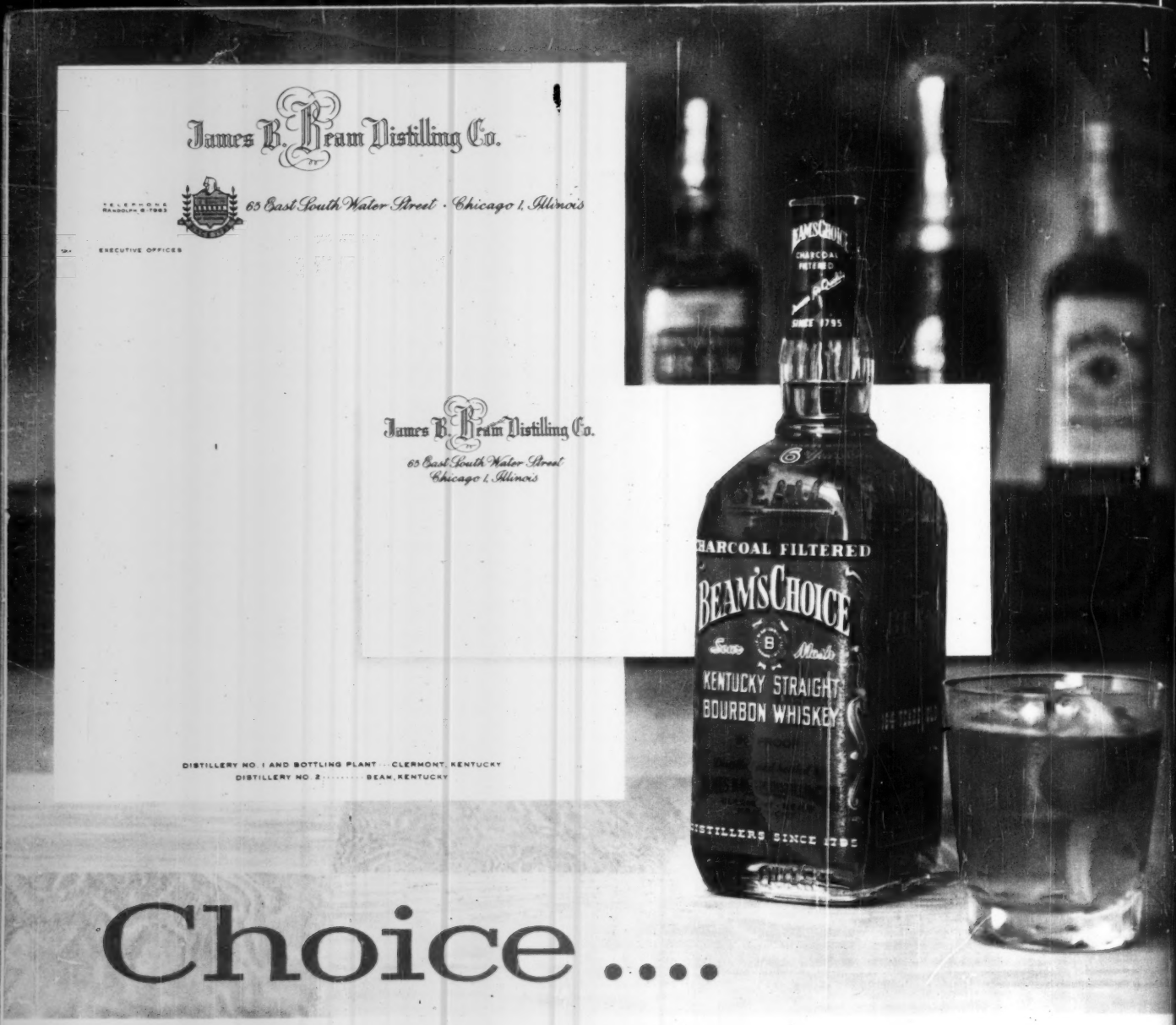
"The Electronic Central Office works basically the same way. When you dial a number, it will decide how to connect you by 'looking in the back of the book'—a huge permanent memory in which we have stored the answers to every situation that can possibly arise."

Product of Continuing Research

The Electronic Central Office is still in the trial stage. Some of our customers in Morris are helping us test it now, and more are being added every week. We're watching their reactions very carefully, because we want to know how to improve the switching system, and what new services people would like to have.

This early demonstration of electronic switching is the achievement of many years of Bell Telephone research in many fields of science. It depends, for instance, on the Transistor, a Bell Laboratories invention, for its economy and reliability. And it shows the important progress we can make with reasonable earnings under America's free enterprise system.

BELL TELEPHONE SYSTEM


James B. Beam Distilling Co.
65 East South Water Street · Chicago 1, Illinois
EXECUTIVE OFFICES
James B. Beam Distilling Co.
65 East South Water Street
Chicago 1, Illinois
DISTILLERY NO. 1 AND BOTTLING PLANT — CLERMONT, KENTUCKY
DISTILLERY NO. 2 — BEAM, KENTUCKY
CHARCOAL FILTERED
BEAM'S CHOICE
KENTUCKY STRAIGHT
BOURBON WHISKEY

Choice ....

GILBERT BOND PAPERS

Brilliance . . . finish . . . uniformity . . . strength . . . snap . . . erasability . . . these are good reasons why Gilbert Quality Papers are the choice for better business stationery. Gilbert bond papers have these attributes to a greater degree than ordinary bond papers, because they are made of all new cotton fibres on the most modern paper machines in our industry. They are also tub-sized, air-dried in a separate manufacturing operation to obtain their superior erasability and for the high quality appearance that a cockle finish gives. Ask your printing supplier about Gilbert Quality Papers.

GILBERT PAPER COMPANY, MENASHA, WISCONSIN

A GOOD LETTER IS ALWAYS BETTER . . . WRITTEN ON A GILBERT COTTON FIBRE BOND